

WEEK
AGO

YEAR
AGO

BUSINESS WEEK

START
OF WAR
1939



In Quebec's Chateau Frontenac war planners with Roosevelt and Churchill burn the midnight oil.

INESS
EK
EX

PUBLISHED BY THE MCGRAW-HILL PUBLISHING CO.

WHY OF NICH
GENT. LBRT
ANN ARBOR NICH

in-fla'tion: hunger, lost jobs, ruin

... **A**nd the people who will suffer most, bring it on themselves. Inflation is easy to understand. When prices soar—that's inflation. Two things cause it:

1—When there are not enough things to go around, people bid against each other, and up go prices. (And don't fool yourself that price ceilings can stop that; as long as there is human greed, there will be black markets.)

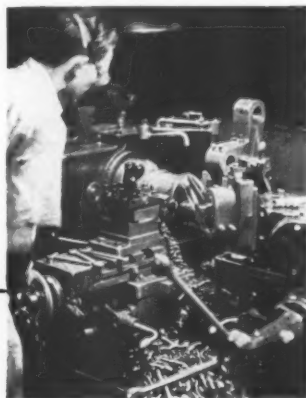
2—When the cost of anything goes up (because of higher wages, higher salaries, higher taxes) its price has to go up.

The politician is causing inflation who votes higher taxes without seeing to it that every penny of them is necessary and *not one penny* is spent needlessly.

The workman who demands and gets higher wages without *correspondingly increasing his output* is bringing the ruin of inflation on himself.

The business man who raises prices just to make more profit is causing inflation unless he freezes that profit, to provide jobs after the war.

No one escapes inflation—it wipes out the little man's savings, the big corporation's cash surplus, and it brings justified wrath and ruin to the politicians who let it happen. Everybody suffers when it comes; everybody is equally responsible for keeping it at bay.



WARNER
&
SWASEY

Turret Lathes
Cleveland

YOU CAN TURN IT BETTER. FASTER.
FOR LESS . . .
WITH A WARNER & SWASEY



Flame goes out, but heat seals or welds it

Koroseal is available for many industrial uses*


A FLEXIBLE material, not so highly elastic as rubber but as soft or as hard as needed — not affected by sunlight, lasting indefinitely without oxidation or other noticeable sign of age — Koroseal is an industrial material that has many uses now and will have hundreds of new ones after the war.

It can be molded or extruded to any shape; can be made so it won't burn; is the first flame-resisting electrical insulation. Heat softens or melts it at 250 to 300 degrees but even if held in

flame the fire goes out when removed. In some kinds of electrical work it will permit much smaller-sized wire and cable.

It may be a light, transparent coating for any kind of fabric or paper, which can be made waterproof on one or both sides. Heat can be applied to seal or weld together the pieces or coatings for home or industrial uses. Coated paper will have future uses in many kinds of packages, may even hold liquids in bags or boxes. Coated fabrics will be used for rainwear and

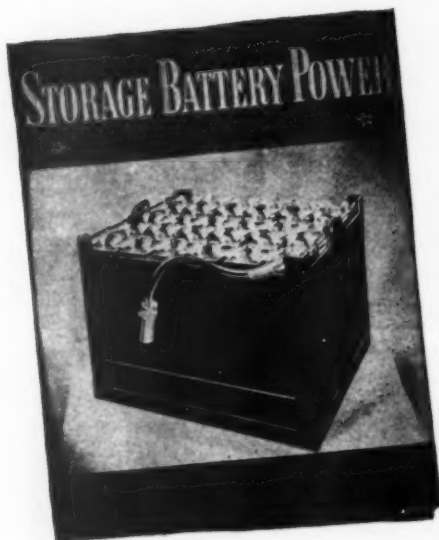
other clothing, for camping equipment and dozens of other things.

Koroseal is available for many essential industrial uses, and reasonable amounts are available for experiment. We're glad to discuss possible future uses, to help make plans or do development work. Write us if you have any problem for which a covering, coating or a solid flexible material might give the answer. *The B. F. Goodrich Company, Koroseal Division, Akron, Ohio.* 

B. F. Goodrich
RUBBER and SYNTHETIC products

Adapted by T. M.

How Battery Industrial Trucks Speed Output of Army Tanks



**Ingenious Coordination
with Assembly Lines
Reported in
"Storage Battery Power"**

In one of the nation's great tank assembly plants battery industrial trucks in the assem-

bly line extend material handling beyond the physical and economic limits of the overhead cranes and feed parts to the line in a variety of operations unique in material handling.

Other features in this issue:

How a manufacturer of heavy machinery increased capacity by adopting a crane-fork-truck method of handling—getting higher utilization of store-room space and supplementing shop crane for handling work in process and in erection department . . . How a shovel scoop truck handles loose material in bulk . . . How to lay out a charging station . . . Send for your copy of the August issue of "Storage Battery Power."

While the application of the truck fleet greatly augments the flexibility of the assembly craneway, the truck fleet itself achieves maximum flexibility through the interchangeability of its units. The predominant unit is the platform lift truck which, through ingenuity of application, has acquired further versatility.

The plan of material handling, which is reported in the August issue of "Storage Battery Power," is remarkable for (1) the many kinds of handling jobs that are being done by the same kind of handling equipment, and (2) the large number of jobs that are being done by more than one kind of equipment.

For a copy of the August issue of "Storage Battery Power," address Edison Storage Battery Division, Thomas A. Edison, Inc., West Orange, N. J.

Edison

ALKALINE BATTERIES

BUSINESS WEEK

WHERE TO FIND IT

Washington Bulletin
Figures of the Week
The Outlook
General News
The War—and Business Abroad
Canada
Production
New Products
War Business Checklist
Labor
Marketing
Finance
The Markets
The Trading Post
The Trend

THE PICTURES

14, 15—Int. News; 16—Thomas J. Barbre; 18—Acme; 19—Wide World; 20, 22—Acme; 23—Wide World; 30—Acme; 39—Thomas J. Barbre; 50—Int. News; 52, 64—Wide World; 82, 90, 92—Int. News; 105—(upper) Charles Phelps Cushing.

THE STAFF

Publisher, Willard Chevalier • Manager, Paul Montgomery • Editor, Ralph Smith • Managing Editor, Louis Engel • Assistant Managing Editor, Clark R. Pace • News Editors, Richard Lamb, Raymond A. Dodd (Illustration).

Foreign, John F. Chapman • Production, W. W. Dodge • Law, J. A. Gerardi • Finance, W. McK. Gillingham • Marketing, E. A. Grunwald (Washington) • Industry, Clarence Judd (Cleveland) • Economics, Sanford S. Parker • Labor, M. S. Pitzele • Washington, Irvin D. Foos, John L. Cobbs, Stuart Hamilton, Phyllis White.

Editorial Assistants, Brownlee Haydon (Assistant Foreign Editor), John Hoffman, C. Arthur Lamb, Richard M. Machol, M. J. Montgomery, Arthur Richter, Margaret Timmerman, Doris I. White • Statistician, Alice McFall • Librarian, Ruth Wall.

Editorial Bureaus—Chicago, Arthur Van Vissingen, Mary Richards • Detroit, Stanley H. Brams • San Francisco, Cameron Robertson • Washington, McGraw-Hill Bureau, Staff correspondents throughout the United States, and in Canada, Latin America, Great Britain and the Soviet Union.

District Managers—Atlanta, R. C. Maulsby • Boston, Nelson Bond • Chicago, Arthur Casardine, R. N. Whittington • Cleveland, E. E. DeGraff, S. D. R. Smith • Detroit, C. W. Crandall • Los Angeles, R. N. Phelan • New York, H. E. Choate, J. R. Hayes, J. H. Stevenson • Philadelphia, H. C. Sturm • San Francisco, J. W. Otterson • St. Louis, G. G. Sears.

BUSINESS WEEK • AUGUST 21 • NUMBER 779

(with which is combined The Annalist and the Magazine of Business). Published weekly by McGraw-Hill Publishing Company, Inc., James H. McGraw, Founder and Honorary Chairman, Publication office, 99-129 North Broadway, Albany 1, New York. EDITORIAL AND EXECUTIVE OFFICES, 330 W. 42ND ST., NEW YORK 18, N. Y. James H. McGraw, Jr., President; Howard Ehrlich, Executive Vice-President; Curtis W. McGraw, Treasurer; J. A. Gerardi, Secretary. Allow ten days for change of address. About subscriptions address: J. E. Blackburn, Jr., Director of Circulation, Business Week, 330 W. 42nd Street, New York 18, N. Y.

Subscription rates—United States, Mexico, and Central and South American countries \$5.00 a year. Canada \$5.50 for a year. Entered as second class matter December 4, 1936 at the Post Office at Albany, N. Y., under the Act of March 3, 1879. Return postage guaranteed. Printed in U. S. A. Copyright 1943 by the McGraw-Hill Publishing Company, Inc.

WASHINGTON BULLETIN

WHAT THE WASHINGTON NEWS MEANS TO MANAGEMENT

ing the Controls

A thorough-going overhauling of the Administration's price, food, and rationing programs is underway. It will be some time before the picture is complete, but enough pieces have been put together to reveal the whole.

Designed to meet general criticism, the shift is getting enthusiastic response from the Administration's practical opponents—farmers who for months have been privately warning of possible disaster to the party at the polls in 1944. The primary goal is to quiet rebellious farmers and business men without seriously offending labor. The job has been made much easier because ear-to-ground reports indicate that farmers are no longer primarily concerned about government regulations and government bureaucracy generally.

Farmers are still outside the democratic fold as a whole, but if their complaints are wiped out, a great many farmers—perhaps the key to the 1944 elections—can be garnered, in the opinion of farm-wise politicians.

es Wins Farm Support

Food Administrator Marvin Jones is pushing regimentation and regulations, tactically. His new policy involves substitution of localized administration of wartime controls that still remain necessary and greater reliance upon voluntary cooperation.

Jones, who became head of the War Food Administration under a cloud of congressional and farm distrust, is rapidly regaining confidence as he junks Deal controls and spikes professional OPA ideas. His whole program is such variance with that developed during the first two years of the war program that farm organization leaders, who have consistently fought the Administration, are finding it difficult to disagree with the former chairman of the House Agriculture Committee. By step Jones is drawing the opposition into his camp.

There will be fights over many issues, but just as he did when a member of Congress, Jones wants to settle his battles inside the ranks, and not in a public

Cooperation on Food

Chester Bowles, general manager of WFA, is moving, if not so speedily, along the same path of appeasement. Personnel changes during the past sev-

eral weeks in both OPA and WFA have shown a remarkably similar pattern. Practical business men, who know the business-political as well as the economic pulse, are replacing the university wonders.

Cooperation between OPA and WFA, completely stymied heretofore, appears almost certain in the near future.

Cost of Living Will Be Cut

The head men in WFA and OPA, who recognize but are not overwhelmed by the importance of the labor vote, believe that the appeasement program toward farmers and business can be carried through without seriously upsetting the price stabilization program. Subsidies in a palatable form and in small doses will be necessary.

The goal of reducing the cost of living to the September, 1942, level may not be reached (chart, page 44), but some juggling of figures, some judicious wage increases, and some smooth talk will be coupled to achieve an overall result which will look pretty good to the public.

OPA Getting Tougher

Chester Bowles, OPA's new general manager, is readying a shakeup of the agency's enforcement practices; how far he goes will depend mostly on how much money he can dig up for the job. His intention is to draw a fine line between enforcement and compliance, really crack down on violations which fall in the enforcement category.

With Bowles now firmly in the saddle, there's lively speculation as to whether Price Administrator Prentiss M. Brown will ever come back to OPA from his current vacation, despite the expectation that Brown would carry the ball in Congress when the leaves start

Other Washington reports in this issue include: Labor Stopgap, page 14; Glum about Coal, 18; Textiles Stretch, 19; Food Plan Falters, 20; Dehydrator Mess, 24; A Farm Era Ends, 26; War Helps HOLC, 42; Patents Pending, 44; Barges Dropped, 48; War Business Checklist, 77; Training Spreads, 84; Death in Wartime, 106; Treasury Sticks to Unitas, 106. Washington trends of importance to management are also discussed weekly in *The Outlook* and other regular departments of *Business Week*.

falling—a job of which Bowles wants no part.

Bowles claims he's Brown's man; that if his "boss" goes, he goes too.

Industry's Army Job

The War Dept. last week let contracts for the operation of four of its depots by private firms. It's an experiment which, if satisfactory, will probably be extended.

Atlas Powder Co., which runs the Ravenna shell loading plant at Apco, Ohio, will operate the nearby Portage depot; Procter & Gamble which runs a shell loading plant at Milan, Tenn., will handle the depot at the same point; Sears, Roebuck & Co. will have the Lordstown (Ohio) depot; and International Harvester Co. the Rossford depot at Toledo.

Industry didn't ask for the assignment; it's a War Dept. idea.

Production Uncertainties

The attempt to put more manpower to work where it will do the most good (page 14) may lessen the fears of WPB officials that the present plateau is the actual ceiling on war production (page 13)—but they can't be sure. Consequently they are tending to hold back on future production plans.

For instance, the proposed expansion of aluminum capacity, once considered a must, has gone back on the shelf. There's no point in building new facilities when there isn't enough labor to get the most out of what we've got. On the West Coast, several aluminum pot lines, capable of an output of 250,000,000 lb. a year, are now idle for lack of labor.

Another result of WPB's uncertainty is the suspension of the electric power expansion program. Work on new facilities (for example, the 108,000-kw. generator for Grand Coulee) should get under way soon if the new units are to come in on schedule (BW—Jul. 24/43, p17).

NWLB Wins a Round

The National War Labor Board has won a bitter behind-the-scenes battle with Economic Stabilization Director Fred M. Vinson to preserve the integrity of its decisions—thus securing more freedom to work out its wage policy.

In two recent decisions, NWLB

PROTECTING OUR MACHINERY OF HEALTH

The strength which keeps America fighting...and working... marching toward victory, depends upon refrigerating machines—millions of them—operating day and night, *to save food and keep it wholesome.* Any interruption in the service of these machines is a serious threat to public health.

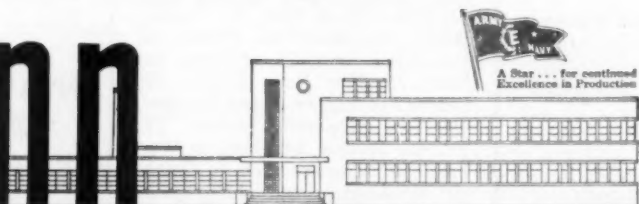
For two years the mechanical refrigeration equipment of the nation has been under abnormal strain—taxed beyond its capacity to protect the food supply of civilians and fighters alike. With production of replacement units drastically limited by war necessity...with a *growing shortage of refrigeration servicemen*, the industry is waging a valiant fight to keep existing machines in operation. But, the situation is becoming more critical...the co-operation of the public, business and government is urgently needed.

As a manufacturer of automatic controls for commercial refrigeration machines, Penn is helping in that fight. We are striving



to sustain the morale of dealers and servicemen—the *technically trained men who know how to keep the machines in operation. Their specialized knowledge and skill are essential to the nation's health and to the war effort!* We are encouraging the salvage of every usable part...repairing controls when possible and—under the established priority rules—supplying new controls to keep machines in service. *Penn Electric Switch Co., Goshen, Indiana.*

PENN



AUTOMATIC CONTROLS

FOR HEATING, REFRIGERATION, AIR CONDITIONING, ENGINES, PUMPS AND AIR COMPRESSORS

...wage adjustments that Vinson considered excessive. Vinson politely stated that NWLB modify its demands, but the board refused flatly. NWLB advised Vinson, however, that it would not object if he changed the demands and took public responsibility for doing so.

After some delay and much wrangling, Vinson approved the NWLB's plan, indicating that he did not care about possible work stoppages by cutting the awards himself, although he was willing to permit NWLB to take up for him.

Renegotiation up for Review

The House Ways & Means Committee sticks by its plans, the long-promised congressional overhaul of renegotiation will get under way next month. Uncasy price adjustment officials and hopeful business men are now sniffing the wind, trying to figure out the line the committee will take. The man in the renegotiation hearings will be Rep. Wesley E. Disney, the Oklahoma man who heads the ways and means subcommittee on renegotiation. Besides swinging a good deal of weight in committee, Disney has more influence than anyone else with its hard-headed chairman, "Old Muley" Dougherty.

Renegotiation officials aren't sure yet where they stand with Disney. As a rule he strings along with the Administration, but he has shown a growing tendency to shove out on his own.

Formula Settlement

The worst fear of the price adjustment boards is that Congress will set up some sort of arbitrary formula to govern renegotiation, instead of leaving settlements to their discretion. This idea has been churning around in Rep. Disney's mind for a year or more, and it has a lot of support from business men and consumers who resent the haziness of present rules.

The formula idea bobbed up again in hearings before the House Naval Affairs Committee early this summer. Both Army and Navy officials fought stubbornly against it, but they aren't sure of much of an impression they made. They are waiting impatiently to get back at the committee's report, due for sometime after Congress gets into session.

The Naval Affairs Committee can't legislate on contract renegotiation, but its recommendations probably will have a good many congressmen following one way or the other.

Problem of Reserves

Aside from their dread of being compelled to accept a settlement formula, renegotiation boards think they are on pretty firm ground in their coming showdown with Congress.

Army Chairman Maurice Karker (who plans to quit soon) and Navy Chairman K. H. Rockey have pretty well sold Congress the idea that allowance for postwar reserves should be handled through the tax law instead of through renegotiation.

A proposal gaining ground in the Ways & Means Committee is to boost the postwar refund on the excess profits tax from 10% to 20%. Under this system, the refund would provide reserves for conversion, and the renegotiators wouldn't have to worry about them.

Before or after Taxes?

The boards also have some new artillery to use against the old demand for renegotiation after taxes instead of before taxes. They point out that the relief provisions of the 1942 Revenue Act permit corporations to adjust their returns several years after filing them. Hence,

renegotiation based on profits after taxes would give contractors a chance to pad their current tax estimates and then claim refunds after the renegotiation settlement was clinched.

Termination Made Easy

War contractors won't find any surprises when they wade through the new regulation on termination of Army contracts (Procurement Regulation No. 15), but they probably will like it just the same. Seeing all the policies spelled out in detail, arranged neatly under titles and subtitles, gives a comforting illusion of definiteness.

Actually, the new rule is almost entirely a codification of the policies the Army has tried to follow all along. It's intended as a general guide to procurement officers in handling termination cases. The individual settlements will be governed by the various termination clauses written into the Army's contracts.

Adoption of the new regulation doesn't mean that the Army has pulled out of the committee that is trying to write a uniform termination clause for

Punitive Authority Granted NWLB

Because John L. Lewis and his United Mine Workers were able to defy the National War Labor Board in the coal case and get away with it, the board refused to move against ten employers who also thumbed their noses at the agency. Although the growing backlog of noncompliance cases was threatening to wreck the board, its members refused to act without authority to proceed against both employers and unions alike—with equal firmness.

This week NWLB received its new set of teeth (BW—Jul. 31 '43, p. 5) from President Roosevelt—and, as one board official put it, "they are more evenly divided than the old set." The President gave Economic Stabilization Director Fred Vinson power to impose sanctions against refractory employers and unions which refuse to obey the NWLB.

The board immediately started summoning recalcitrants, one by one, to show cause why they should not obey. NWLB now hopes some will swing into line voluntarily. Employers who persist in defying the board may lose contracts, priorities, and other benefits from the government; defiant unions may lose the benefits

that they have under existing contracts, including the checkoff of union dues.

Attorney General Francis Biddle will prosecute individuals under the Connally-Smith Act, with work-or-fight sanctions under the Selective Service Act also in the picture.

NWLB is not expected to get around to the mine case defiance until it acts on the pending agreement between the United Mine Workers and Illinois coal operators.

The ten companies in defiance follow:

U. S. Gypsum Co., Warrenton, Ohio.

Atlantic Basin Ironworks, Brooklyn, N. Y.

A group of Miami (Fla.) laundries and dry cleaners.

American Rolbal Co., Brooklyn, N. Y.

McGeorge Contracting Co., Bauxite, Ark.

Burlington Dyeing & Finishing Co., Burlington, N. C.

A group of San Diego (Calif.) laundries.

Atlantic Transport Co., Chicago.

Alexander Milburn Co., Baltimore.

Donaldson Iron Co., Emaus, Pa.

HOW DO YOU RATE THESE MEN IN IMPORTANCE?



A few years ago the Safety Director would not have rated with these other key men. But today Management views the safety effort as a vital part of the war effort. The Safety Director has assumed new importance.

Willson, too, has assumed greater responsibility. Pioneer in the development of safety equipment, Willson is now in the forefront of safety research. To our more than 300 styles in eye protective and respiratory devices, new improvements are being made constantly.

Do you know the Willson safety service representative in your area? He is a good man for you and your men to know.



The Safety Effort
is a vital part
of the War Effort

INDUSTRIAL GOGGLES • GAS MASKS
HELMETS • RESPIRATORS

WILLSON
DOUBLE
PRODUCTS INCORPORATED
READING, PA. U.S.A.

WASHINGTON BULLETIN (Continued)

all government contracts (BW—Aug. 14'43, p14). The uniform clause won't be ready for at least another month or six weeks, even if the services manage to agree on its terms.

Looking Ahead on Ships

WPB's challenge to the Maritime Commission's ambitious program of ship construction finally has ended in a compromise. The commission will get 319 of the fast, new Victory ships next year in addition to about 200 of the C-type freighters it wants for a postwar merchant fleet.

This means that about one-quarter of 1944 construction will be ships that can hold their own in postwar competition. The rest will be Liberty ships—slow, mass production jobs, designed solely to meet the war emergency because they can be built fast.

The Maritime Commission originally planned to shift most of its yards over to the new models in 1944. Before WPB stuck in an oar, it already had let contracts for 411 Victories. WPB objected that quick conversion would cause a drop in total construction and take machinery (turbines and gears) needed by the Navy.

Note to Postwar Planners

Reports that the Army will release some nylon to the manufacturers of women's hosiery classify as pipe dreams. Nylon supplies are now easy enough, however, so that Army is allowing du Pont to use a small amount of its total production (reportedly between 1% and 2%) for experimental purposes—window screens, men's suits, etc.

The question of how far manufacturers shall be allowed to go in extending postwar planning to actual experiments is one of the hottest potatoes WPB has to handle these days. Policy gradually evolving is that a little experimentation is O.K. if the amounts of critical materials involved are small and the drain on a company's technical facilities—particularly engineering personnel—is light.

But the maker of men's pants who wants to set himself up in the refrigerator business (and some postwar plans take companies just about this far out of their fields) isn't getting help.

Assurances on Machinery

Construction machinery and machine tool builders have had a bad scare from WPB's plan to let go of surplus equipment and supplies. The manufac-

turers are afraid that sooner or later government will start dumping its pool of machinery and tools, knocking the bottom out of the market.

WPB insists there won't be dumping. Its idea is to put all equipment to work, either in war production or in essential civilian work.

Any agency with surplus equipment is supposed to declare it to the Navy's Procurement Division which handles sales. Other government departments have first chance at the machinery. What they don't take will be through regional offices to contractors who can get WPB permission.

Although a good deal of machinery will become available now that building of war plants is tapering off, Army and Navy demands will take a big part. WPB says the surpluses sold at auction won't be enough to meet all the demands of war contractors, much less glut the market.

Capital Gains (and Losses)

Final major revision in OPA's egg labeling program is an order that all wholesalers to mark grades of eggs on invoices instead of cartons. Retailers must still post prices by grades, needn't stamp grades on packages.

A move is on foot to revive the American Nautical Chamber of Commerce. Leaders in the industry foresee peace problems with which the several time aircraft production councils are set up to cope.

Harold Sharp of the United Electric, Radio & Machine Workers (C.I.O.) has been asked to join WPB's Radar Division. In an attempt to speed production of the electronics industry—a trouble spot—Sharp's job would be to try to wangle more manpower, condensers, resistors, and tube manufacturing.

Cancellation of a big Army order for cotton socks this week isn't part of a general program for trimming military requirements, allowing civilians a little more (page 19). The Quartermaster Corps simply found out that all-cotton isn't as good as a cotton-wool combination.

OPA is concerned about reports that some automobile dealers are hoarding their slender stocks of new cars, refusing to sell them except to ration certificate holders who will trade in a used car as part of the deal. One idea for smoothing out the new models is to refuse to let dealers add the 1% monthly carrying charge to their prices after the first of the year.

—Business Week
Washington Bureau

FIGURES OF THE WEEK

	8 Latest Week	Preceding Week	Month Ago	6 Months Ago	Year Ago
WE INDEX (see chart below)	*211.6	†211.0	210.3	196.8	186.2
PRODUCTION					
Steel Ingot Operations (% of capacity)	98.8	98.4	98.3	98.3	97.2
Production of Automobiles and Trucks	19,600	†19,250	19,485	17,755	19,215
Engineering Const. Awards (Eng. News-Rec. 4-week daily av. in thousands)	\$6,753	\$7,058	\$11,093	\$12,227	\$35,628
Electric Power Output (million kilowatt-hours)	4,288	4,241	4,184	3,940	3,655
Crude Oil (daily average, 1,000 bbls.)	4,239	4,203	4,103	3,871	3,893
Luminous Coal (daily average, 1,000 tons)	1,967	†2,028	1,960	1,980	1,848
TRADE					
Miscellaneous and L.C.L. Carloadings (daily average, 1,000 cars)	79	81	80	75	79
All Other Carloadings (daily average, 1,000 cars)	66	67	66	51	62
Money in Circulation (Wednesday series, millions)	\$18,101	\$18,014	\$17,658	\$15,798	\$12,870
Department Store Sales (change from same week of preceding year)	+6%	+11%	-1%	+19%	-5%
Business Failures (Dun & Bradstreet, number)	60	51	48	84	174
PRICES (Average for the week)					
Spot Commodity Index (Moody's, Dec. 31, 1931 = 100)	244.9	244.9	243.5	245.3	230.9
Industrial Raw Materials (U. S. Bureau of Labor Statistics, Aug., 1939 = 100)	160.7	160.9	160.2	157.9	153.2
Domestic Farm Products (U. S. Bureau of Labor Statistics, Aug., 1939 = 100)	211.0	210.9	209.2	202.9	183.8
Finished Steel Composite (Steel, ton)	\$56.73	\$56.73	\$56.73	\$56.73	\$56.73
Crude Steel Composite (Iron Age, ton)	\$19.17	\$19.17	\$19.17	\$19.17	\$19.17
Copper (electrolytic, Connecticut Valley, lb.)	12.000¢	12.000¢	12.000¢	12.000¢	12.000¢
Wheat (No. 2, hard winter, Kansas City, bu.)	\$1.39	\$1.40	\$1.40	\$1.36	\$1.12
Sugar (raw, delivered New York, lb.)	3.74¢	3.74¢	3.74¢	3.74¢	3.74¢
Cotton (middling, ten designated markets, lb.)	20.37¢	20.60¢	20.85¢	20.59¢	18.52¢
Wool Tops (New York, lb.)	\$1.340	\$1.356	\$1.370	\$1.238	\$1.226
Rubber (ribbed smoked sheets, New York, lb.)	22.50¢	22.50¢	22.50¢	22.50¢	22.50¢
FINANCE					
Stocks, Price Index (Standard & Poor's Corp.)	94.0	92.7	99.5	85.5	68.6
Medium Grade Corporate Bond Yield (30 Baa issues, Moody's)	3.81%	3.81%	3.80%	4.08%	4.28%
High Grade Corporate Bond Yield (30 Aaa issues, Moody's)	2.69%	2.69%	2.69%	2.77%	2.81%
U. S. Bond Yield (average of all taxable issues due or callable after twelve years)	2.28%	2.28%	2.27%	2.32%	2.35%
Call Loans Renewal Rate, N. Y. Stock Exchange (daily average)	1.00%	1.00%	1.00%	1.00%	1.00%
Prime Commercial Paper, 4-to-6 months, N. Y. City (prevailing rate)	1-1%	1-1%	1-1%	1-1%	1-1%
BANKING (Millions of dollars)					
Demand Deposits Adjusted, reporting member banks	33,796	33,746	32,883	30,157	26,526
Total Loans and Investments, reporting member banks	46,899	46,954	46,822	41,475	33,603
Commercial and Agricultural Loans, reporting member banks	5,714	5,678	5,638	6,131	6,754
Securities Loans, reporting member banks	1,356	1,429	1,507	986	939
U. S. Gov't and Gov't Guaranteed Obligations Held, reporting member banks	34,437	34,464	34,165	28,428	19,509
Other Securities Held, reporting member banks	2,919	2,919	2,982	3,266	3,452
Excess Reserves, all member banks (Wednesday series)	1,200	1,030	1,310	1,640	2,381
Total Federal Reserve Credit Outstanding (Wednesday series)	8,718	8,582	8,150	5,983	3,512

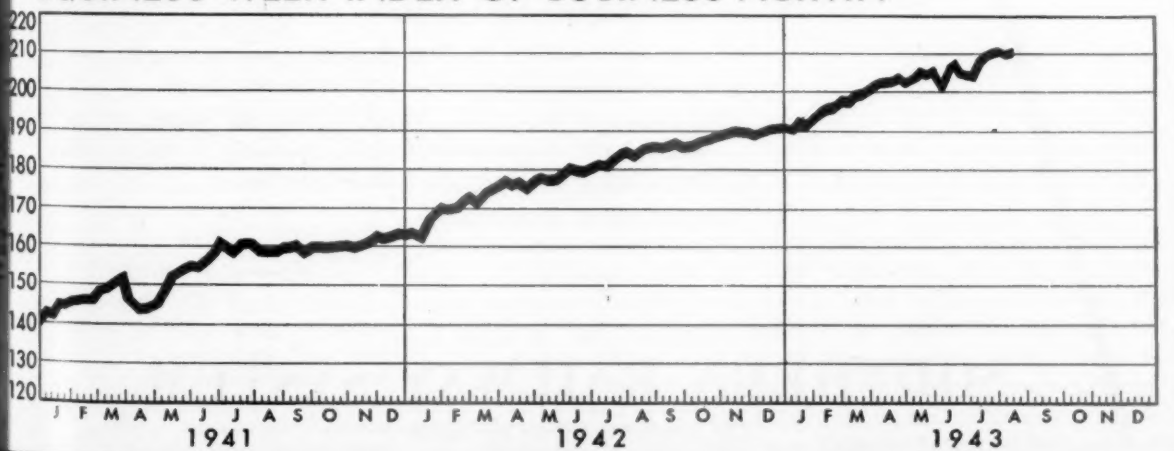
† Preliminary, week ended August 14.

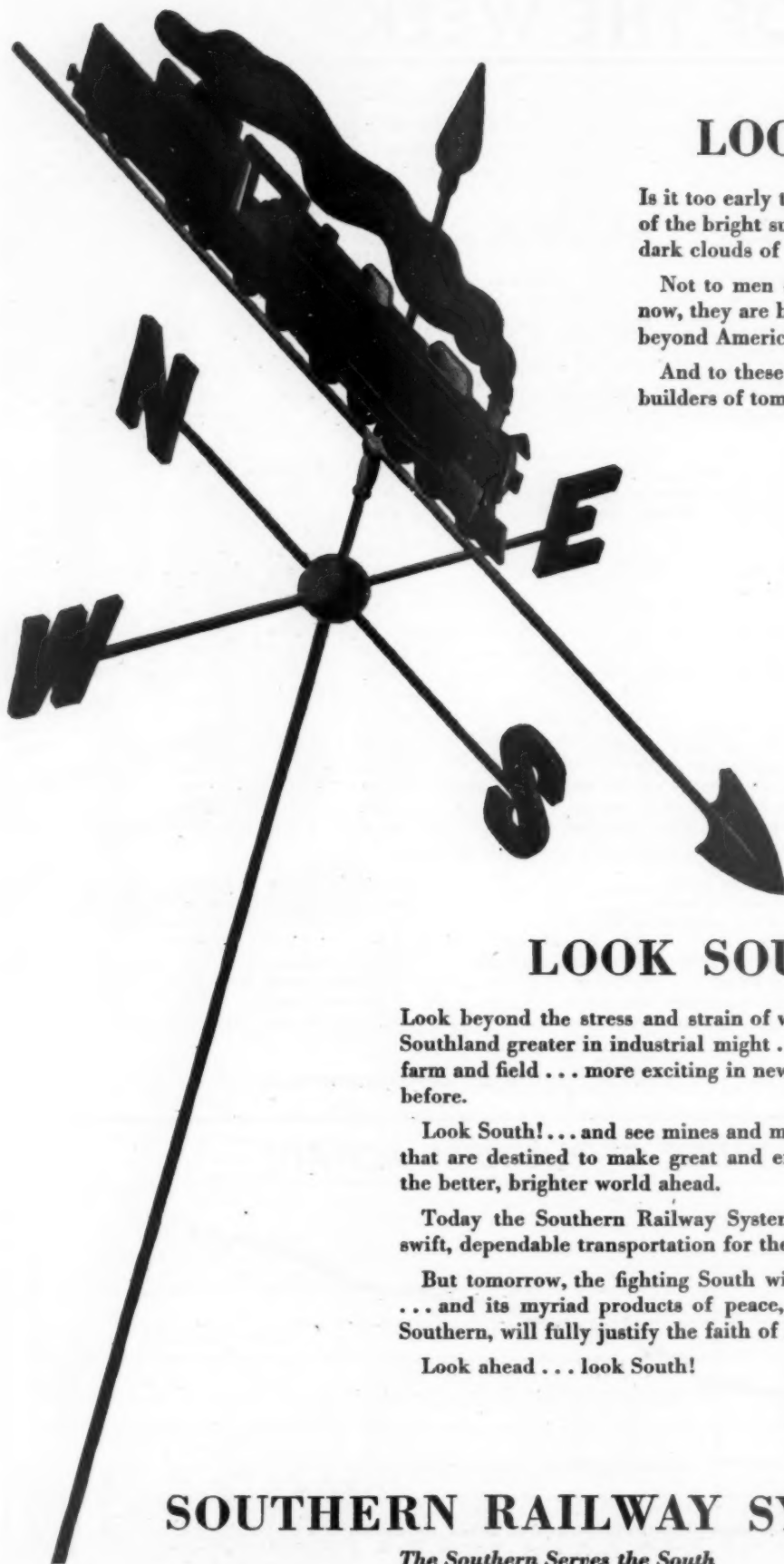
† Revised.

§ Selling fixed by government.

§ Date for "Latest Week" on each series on request.

BUSINESS WEEK INDEX OF BUSINESS ACTIVITY





LOOK AHEAD

Is it too early to look ahead? Too soon to dream of the bright sunshine that surely will follow the dark clouds of war?

Not to men of courage and confidence! Even now, they are busy planning the world that lies beyond America's Victory.

And to these men of Faith... who will be the builders of tomorrow... we say...

LOOK SOUTH!

Look beyond the stress and strain of war to the South... to a Southland greater in industrial might... richer in the fruits of farm and field... more exciting in new opportunities than ever before.

Look South!... and see mines and mills, forests and factories, that are destined to make great and enduring contributions to the better, brighter world ahead.

Today the Southern Railway System is providing adequate, swift, dependable transportation for the fighting South.

But tomorrow, the fighting South will be the growing South... and its myriad products of peace, speeding by rail on the Southern, will fully justify the faith of all who...

Look ahead... look South!

Ernest E. Horn
President

SOUTHERN RAILWAY SYSTEM

The Southern Serves the South

THE OUTLOOK

WMC Dodges Draft-for-All

New Selective Service rules represent effort to avoid a national service act, and WPB hopes they solve manpower problem. Record retail sales puzzle Washington.

By issuing its new draft deferment rules (page 14), the Administration acknowledges that it finally has diagnosed the so-called war production "complacency" as primarily a manpower problem. It took the Administration a long time to concur in conclusions previously reached by private economists and management men. On the other hand, the Administration has the advantage of making analyses on the basis of so many conflicting opinions from conflicting agencies, and against the background of a war that does not hold still for dissection, that it necessarily proceeds slowly, diplomatically.

National Service Dispute

The new manpower rules are a stop-gap and a compromise. War and Navy departments, worried over aircraft production, would gladly see a national service act (enforced by the Selective Service System). The War Manpower Commission, however, doesn't want its United States Employment Service left out in the cold and implies that the nation wouldn't stomach anything as drastic as a service act. Result: a new list of "super-critical" occupations; the threat of drafting fathers; and a long list of non-deferrable occupations.

Provisions for policing this setup are meager, and nobody knows it better than WMC. Therefore, WMC will continue to rely largely on amateur detective work—that is, it will depend on hard-pressed manufacturers to snitch on each other.

Renegotiation Up Again

Prospects of a short war may obviate the necessity for regulations more drastic than the manpower compromise. But short-war prospects are plaguing the Administration on other fronts. A recurring problem (good for a whirl at least twice a year) is contract renegotiation. In the next three weeks, this stickler will again be attacked in the House by the Disney committee.

Machine tool and textile manufacturers want to make their industries immune to renegotiation on the grounds that profits are sporadic and occur mainly in wartime. Other industries want a second 10% refund on taxes after the war for reconversion

purposes. And still others want renegotiation pinned down by an ironclad formula which stipulates the exact percentage of allowable profit.

The military agencies are not averse to bigger tax refunds, but they are afraid of popular clamor as a postwar aftermath if profits are treated more liberally. According to Dept. of Commerce figures, the latter are still on the upbeat in war industries—the rate of increase being about 5% per quarter.

Mystery in Store Sales

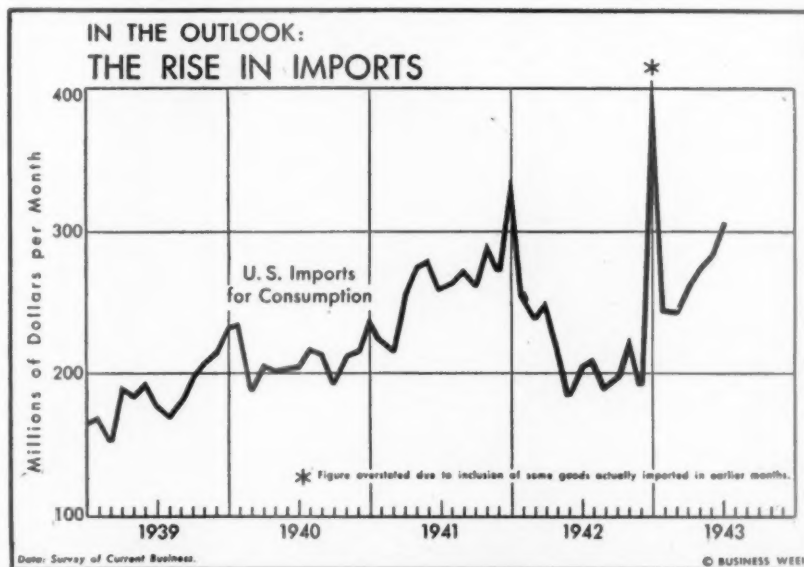
In the nonwar industries, the rate is declining as manpower, materials, and inventories are running out. Amazingly, however, the progressive decline in the manufacture of civilian goods over a period of 18 months is not showing up in total retail sales. In 1942, retail dollar-volume reached the record por-

portions of \$56,000,000,000; unofficial but reliable estimates put this year's figure at a well-nigh unbelievable \$62,000,000,000 and indicate that the 1944 total—abetted by some resumption of civilian goods supply—may come to \$60,000,000,000. Thus, all in all, 1943 retail sales will probably be \$10,000,000,000 to \$15,000,000,000 better than expected, and now the experts are trying to find out why their gloomy predictions at the beginning of the year went haywire.

Prices and Inventories

For one thing, food and clothing supplies have held up much better than anticipated. Next, higher prices and "trading up" (switching to higher-priced lines) have added to dollar volume. Finally, inventories probably have been badly underestimated. True, official statistics currently show that manufacturers and distributors are liquidating their inventories.

But the liquidation, nonetheless, flows from a seemingly inexhaustible font. This may mean that (1) retailers and wholesalers had merchandise in attics and basements which was never measured, or (2) despite WPB's curtail-



Expansion in shipping capacity and clearing of sea lanes have carried imports up to a \$3,500,000,000 yearly rate—\$1,250,000,000 above the low point last year. Though the increase is anything but staggering when stacked against \$150,000,000,000 of national income, the fact is that these imports consist largely of raw materials which, when fabricated, com-

mand much higher value. Moreover, many of these raw materials are irreplaceable, and substitutions are uneconomic even where practicable. Thus, as the export drain on American production increases, imports compensate in part. Volume will continue to rise for some time, and there is no expectation of a material decrease during postwar rehabilitation.

ment orders, civilian goods were produced in bootleg fashion. All in all, the bootleg manufacture very likely didn't amount to much. But it is a fact that Washington, in seeking a coherent explanation for the phenomenal retail dollar volume in the absence of true inflation, is getting itself steamed up about bootlegging in steel and textiles.

Effect on Labor

The relatively easy supply of foods and textiles, meantime, is one reason the unions haven't been too anxious to smash the Little Steel formula. Labor leaders, to be sure, have squawked plenty over quality deterioration in clothing and price increases in foods. Yet the clamor over these subjects is dying.

Far-sighted labor leaders figure the situation out this way: If the Little Steel formula were broken so that wages would rise, prices in general would go up, labor would still be lagging in the wage-price race, and—worse yet—it would mean that the white collar class would be strapped financially, and might detract from Roosevelt in '44. Nothing would look like a greater disaster to most unions.

Labor Stopgap

WMC'S revision of draft deferment rules is calculated to drive manpower into essential jobs under induction threat.

What promises to be the last experiment short of a national service act designed to throw off the halter that manpower shortages have put on war production (BW—Aug 14'43,p15) was being launched this week. Cooked up by Paul McNutt and his War Manpower Commission, the new program (1) revises draft deferment regulations in an effort to goad workers into essential jobs, and (2) tightens federal controls over employment in order to direct the movement and placement of labor.

• **Making the Most of It**—By revising Selective Service regulations, WMC hopes to make the most of the fathers' draft, slated to start Oct. 1. As soon as the 3-A class becomes vulnerable, WMC will be able to put the squeeze on some 6,559,000 registrants. Production schedules call for a transfer of about 2,600,000

workers from nonessential work to war jobs during the coming year (in addition to the 1,300,000 new workers who are supposed to enter the labor force). If WMC plays its cards right, it may get most of them from the 3-A's who have just come under its thumb.

Main feature of the new regulation is creation of a list of 149 critical occupations (for example, aircraft mechanics, electricians, machinists), establishing a new category of superdeferable jobs covering skills that are most needed for war production.

In an essential industry, the critical occupations will be just about draft-proof, but in nonessential lines (for example, an electrician in a brewery), they will be a short road to the induction center. Workers who hold jobs on the critical list have to get into essential work or forfeit claim to occupational deferment.

• **Nondeferables Get First Call**—WMC also expanded the list of nondeferable jobs and industries, attempting to shake out workers for war plants. Any man of military age employed in one of the 60 nondeferable jobs or 58 nondeferable activities is to be called up first regardless of his dependency status or importance to the business.

WMC ordered local draft boards to take account of the local labor situation, the possibility of training replacements, and importance of the worker to his company's production. In tight areas, local boards can hand out occupational deferments to skilled and unskilled workers alike.

• **Local Conditions Govern**—WMC's idea is to consider each deferment in the light of the manpower situation in the particular area. It wants to run the draft so that it will boot more workers into war jobs and at the same time relieve local labor bottlenecks by going easy on inductions in tight districts.

Nobody knows yet how well this strategy will work because the results depend entirely on how far the local boards will string along. Most local boards have their own ideas about dependency and occupational deferments. Some already are in open revolt against the fathers' draft, but WMC hopes it can do some educating between now and October. Meanwhile it counts on the threat of future action to start workers shifting into essential jobs, but first reports indicate a disappointingly small movement.

• **The Minimum Standards**—Although WMC is using Selective Service as its prime mover, it isn't counting on the draft alone to clear up labor shortages. As the commission announced the deferment rules, it issued a set of minimum standards to be incorporated into local employment stabilization plans. These local plans are supposed to govern transfers between civilian jobs. By tightening them up, manpower author-



FIRST OF SIX

Laden with anchors to brake its plunge into the Delaware River, the U.S.S. Alaska, first of America's "pocket battleships," smoked down the ways this week at the Camden

(N. J.) yards of the New York Shipbuilding Corp. Although official statistics on size, armament, and tonnage are not released, the Alaska, with its five sister ships under construction, is described as larger than standard Navy cruisers, smaller than battleships.

the minimum standards continue the
m of requiring a certificate of availa-
for hiring workers in tight areas,
they add a new reason for permit-
workers to change one essential job
another. Employees are to receive a
ficate of availability if they want to
an industry paying less than the
dard established by federal or state
or less than the level approved by
National War Labor Board. Labor
arts haven't decided just what this
do to wages, but in most areas it
put substandard companies on the

boards to
situation,
cements,
er to his
ht areas,
apacities
unskilled
WMC's
ment in
ation in
run the
work

Against Labor Draft—Manpower authorities know all this, but they intend to stick by present methods as long as they can. Most of them think the country wouldn't stand for a national service in its present mood, and without a labor draft of some sort, they don't know what device they could use besides Selective Service.



tions (Commandos); Adm. Sir Dudley Pound, First Sea Lord; Gen. Sir Alan Brooke, chief of the Imperial General Staff; Sir Charles Portal, British air chief; Lt. Gen. Sir Hastings Lionel Ismay, British Defense Minister's chief of staff; L. S. Breadner, Canada's air marshal; Vice Adm. P. W. Nelles of Canada; and Lt. Gen. Kenneth Stuart, Canada's chief of staff.

Quebec conference focuses attention on big challenge now facing United Nations: the necessity of resolving disagreements, principally concerning Russia, on peace and war aims.

leaders and their aides is addressed to this task.

• **Forcing the Issue**—Events of recent weeks have increased the urgency of resolving basic differences in order to permit the presentation of a united Anglo-American front at forthcoming discussions with other fighting allies, the Soviet Union and China. For the first time, Soviet armies are on the march at the height of summer. Simultaneously, there are disquieting rumors out of Chungking, and this time reports of appeasement forces within the Kuomintang and friction with the "communist" guerrilla government cannot be ignored.

The areas for disagreement between allied governments are legion. Perhaps the question should be asked not why one war is not being fought better, but how four or more wars can be fought so well separately.

Some people accuse Roosevelt and Churchill of putting into practice Chamberlain's theory of encouraging fascism and communism to destroy each other. They point out that Anglo-American



TUNNEL FOR FARMERS

To irrigate farms on the eastern slope of the Rockies, the Bureau of Reclamation is tapping western slope rains via a 13.1-mile tunnel under the continental divide in Colorado. Construction on the Grand Lake-Big Thompson tunnel, suspended for want of

materials, is being resumed with WPB approval. The \$4,000,000 project is slated for service during the 1945 crop season. Then the Shadow Mountain reservoir will begin pouring 90,000 acre-ft. of water annually through the tunnel. Four power plants and the big Granby reservoir on the western side will be built after the war.

armies have waged only cautious warfare, nibbling peripheral segments from Axis Europe: North Africa, Sicily, so far; Italy, Norway, the Balkans, Denmark, later.

• **Dictating the Peace**—This suggests a strategy based on the presumption that Anglo-American diplomacy would eventually deal with the vanquished, that Russia, sustained by lend-lease, would not be the dominant factor in the peace. The Anglo-American bloc felt sure of a dominating influence in the rebuilding of Europe and the world. Until the summer of 1943, no one challenged these assumptions seriously.

Now, the Red Army, blasting German hedgehog defenses around Orel, Bryansk, and Kharkov, has thrown down the gauntlet. The race for Berlin is on. Reexamination of Anglo-American strategy becomes imperative.

So runs one persuasive interpretation of events which is at least revealing of the areas of possible controversy.

• **Seeds of Dissension**—There is no logical order of importance to the series of questions now confronting the Anglo-American bloc. In many areas a clash is inevitable, and where the clash will come first is unpredictable.

First, there is question of war aims. The Soviet has stated that its armies and workers behind the lines are fighting to destroy Hitlerism. It has repeatedly distinguished between Nazis and Germans. Such distinctions are not

so common in British and American political circles. In fact, some Britons and Americans have even fortified German morale by claiming that the destruction of German military power is only the first in a series of contemplated destructions that have wide industrial, cultural, and territorial dimensions.

• **Peace with Russia?**—The efficacy of war aims has not yet been fairly tested, but the Germans have lately permitted discussion of defeat to the point of admitting a preference for a negotiated peace with Russia to unconditional surrender to the Anglo-Americans. This raises the issue of United Nations unity point-blank.

Is there danger that the Soviets will prefer peace to bearing the brunt of the war until the final dramatic entrance of their allies in the role of glory-snatchers? The Anglo-Soviet Twenty-Year Alliance of 1942 is said to be a guarantee against a separate peace, but treaties have gone by the boards before.

• **A Question of Leadership**—A second big issue is presented by the fact that the immense prestige of Soviet military prowess is gradually swinging the peoples of occupied Europe out of the orbit of Anglo-American influence, and out of the orbit of the carefully nurtured refugee governments.

There are indications that some refugee governments will not be welcomed as much by their peoples as by pro-Axis collaborationists who may survive de-

FORTRESS EUROPE

Hitler's Europe (map opposite) is a tenuous political entity at best, held together by contracts of expediency and by force of arms. Its weakening is visible not only on the military fronts—as in Russia and Sicily—but also by defections on the political fronts, as in Italy and the Balkans.

The strength of Germany's hold on occupied and puppet regimes decreases as their distance from Berlin increases, and Anglo-American strategy is aimed at breaking off peripheral segments by force or diplomacy. Italy, if it can be removed from the war without conquest, may be only the first such defection.

Ripe for separation are Balkan states, now torn by indecision and fear as well as by guerrilla warfare, which joined the Axis under threat and offers of bribes. All but Rumania, which only regained its province of Bessarabia (lost to Russia in 1940), have received substantial territorial bonuses for collaboration with the Reich. These sections are shown by white arrows.

Much as they might like to retain these gains, these countries, aided by British and American arms, may try to wiggle out of the Axis camp. Chief problem of strategy for the Allies today is how to break these Axis segments off and simultaneously destroy the fascist governments now in power.

It is in the Balkans also that Anglo-American designs for a post-war Europe may be expected to clash with Soviet plans. What about Bessarabia, briefly a part of the U.S.S.R.? And what is the future of the Baltic states? On the one hand, they are claimed by the Soviet Union. On the other, their future autonomy would seem to be assured by the Atlantic Charter promise of no territorial changes by force of arms.

spite an Anglo-American victory. The people are talking of revolution, spurred by revolutionaries who before the war had pipelines to Moscow. The Anglo-American bloc fears anarchy and, to prevent it, will deal with any responsible authority one step removed from dyed-in-the-wool fascists.

• **That Second Front Issue**—Military strategy constitutes a third area of dissension. The Soviets still demand a second front, by which they mean a military commitment of the same dimensions as their own. Anglo-American experts chide Moscow for misunderstanding the effectiveness of heavy

FORTRESS EUROPE

Its Political Walls are Weak



bombings of the Reich and for lack of appreciation of what invasion of western Europe would cost in manpower, shipping, and matériel.

Impressed with the growing strength and size of Anglo-American armies, our mastery over the U-boat, and the obvious magnitude of British and American airpower, the Soviets cannot square these data with battle commitments to date. They point to the narrow battlelines in Tunisia and Sicily and to the fact that never more than a dozen Anglo-American divisions have yet been simultaneously engaged. They say that all Anglo-American fronts laid end to end would be lost on the Soviet-German battlefronts where divisions are counted by the hundred.

• **Rival Occupation Agencies**—Fourth, there are differences of opinion on occupation governments. The Allied Military Government of Occupied Territories is an Anglo-American creation which may actually come up against a separate Soviet occupation agency. The National Committee of Free Germany in Moscow is an example.

AMGOT is a military government which will not relinquish control to local leaders until internal conditions are stabilized. The Soviets, through their German national committee, have offered the people of Germany "a strong democratic government," and "freedom of speech, press, assembly, conscience, and religious beliefs."

The growing suspicion with which the occupied countries regard AMGOT is reflected in the proclamation of the Greek exile government in Cairo that no temporary government will precede

Greece's own in their liberated country.

• **China Seeks Aid**—Not all the storm signals center on differences between Soviet and Anglo-American policy. China has spoken for greater aid in the Pacific. But some hold back because they regard the Kuomintang or Chungking administration as "feudalistic" and "semi-fascist." They fear that appeasement forces within the Kuomintang may lead China to seek peace terms from Tokyo. Others point to the continuing friction between Chungking and the communist armies in the northwest as an evidence of instability which makes China anything but a sure gamble for the Anglo-American bloc.

On a broader plane, Chinese writers—Lin Yutang among them—envisage a Chinese-Soviet coalition arising from British-American neglect of the Pacific arena. These analysts predict that Soviet aid in the Pacific phase of the war may lean heavily toward China, with only incidental aid likely to reach armies fighting to recapture British and Dutch empires.

• **At the Historic Turning**—Now at the straits of Messina, the Anglo-American forces, like Ulysses, must chart a cautious course between Scylla and Charybdis. Unless the British and American leaders can fix a course agreeable to Moscow and Chungking and unless they can resolve the more earthy conflicts of individual economic ambition, either the rock or the whirlpool may wreck the concept of the United Nations. On the successful conversion of the United Nations from a propaganda device to a singular weapon of warfare may depend the future of world history.

Glum about Coal

Ickes, realizing his mine job may drag on owing to the lag in output, moves to pass financial reins back to owners.

With coal output lagging stubbornly behind schedule, the coal mine administrator, Harold L. Ickes, glumly realizes that the government's titular ownership may turn into a long-drawn-out proposition. This week he set out to reassert his control machinery so that it will be able to run along indefinitely.

• **Clarification Move**—From the mine operators' viewpoint, Ickes' most important move was clarification of their financial responsibilities. Since the government takeover, operators have been fuming over the hazy status of their finances. Although they took in cash and wrote checks for running expenses, they didn't know whether the money belonged to them or the government (BW—Jul. 31 '43, p17).

Ickes' latest plan tries to answer these complaints by setting up a procedure for turning all financial responsibility back to the operators. Any company that wants to can now take full charge of its finances, provided it (1) adopts and ratifies all acts of the government operating manager, and (2) certifies that it will keep its working capital unimpaired.

• **Privileges Accorded**—Companies that string along will be financially independent as long as they can stay liquid, but they will have to give up all general claims against the government for the original seizure of the mines. They still will have the right to protest against specific orders, and when they do, they will be able to hold the government liable for any damages that would result.

There's nothing compulsory about this arrangement, but it is the operators' only chance to get back behind the cash register. Under the new regulations, companies that don't string along may pay dividends, make major outlays, or go into debt only if Ickes does not object.

• **Responsibility in Question**—Ickes says that if a company doesn't accept the plan, he will assume that it claims that all operations from then on are for the account of the government. To mine owners who ran a deficit when they were on their own, this might sound good—except that the government refuses to concede the validity of any such claims.

While the mine owners are making up their minds about financial arrangements, Ickes and his staff are wrestling with the production problem. In spite of government ownership, output hasn't pulled back up to the prestrike level. Bituminous production even threatens



FEATHERED GUESTS

Washington's fashionable Shoreham Hotel is short-circuiting meat and poultry shortages by raising its own chickens—at least while feed supplies last. With facilities for 4,000 chicks

in its riding stables, the hostelry puts up the feathered guests for a two-month stay before they lose their heads and become menu items for the customers. Hotel maintenance employees lend a hand in caring for the chicks (above).

Coal mine ground. Last week, it slid down 1,800,000 tons, which compares with 12,170,000 the week before. To this year's goal of 600,000,000 production will have to run close to 2,500,000 tons a week for the rest of the year.

Production Lieutenants—Early this month, Ickes appointed seven new officers to work under Deputy Administrator E. Newton. Their job is to get the coal. Meanwhile, the coal mine administration is undertaking a survey of productive efficiency to see if any of the mines meet the requirements of the antistrike law, which specifies that the properties must be returned to the owners within 60 days after production gets back to normal.

Textiles Stretch

Army gives up a bit of its scheduled takings; OCR intends to get goods woven in spite of its manpower troubles.

Early this month, the Quartermaster announced that Army procurement of certain types of woollens and textiles would be partially deferred until next year, freeing facilities for production of an estimated 24,000,000 yards of goods (notably blankets) for civilian use. Last week, the Army turned over 450,000 yards of rejected silk parachute cloth to manufacturers of men's and children's underwear. Yet to be announced is a deal whereby civilians will get some 9,000,000 extra yards of men's cotton shirting.

Tokens of Goodwill—These minor relaxations are not the forerunners of wholesale cutbacks in the Army's demand for textiles; present expectation is that the real slackening will not be until mid-1944 at the earliest. Piled up against civilians' total yardage needs, these presents are pretty slim. But, as evidence of the military's willingness to make a few concessions to civilian morale, they are important.

Any extra textiles that civilians get will be the 6,000,000,000 yards they are allotted out of this year's anticipated production of slightly over 13,000,000,000 yards will have to come from the Army and Navy. It won't come from extra production, because the manpower just isn't there.

Spindles Are Slowed—Despite its essential status with the War Manpower Commission, the textile industry has been losing workers steadily to better paying jobs. Lengthening of the work week has not made up the difference, and the results are gradually showing up in a slowdown of spindles.

At midyear, total production of woolen goods was a little bit ahead of the first



PX ON RAILS

Although it's a long way between Post Exchanges for American engineering troops who maintain the vital Alaska Railroad, they get good service from a rolling PX aboard a trailer truck

converted to rails and retailing. About twice a month, the mobile Army-operated store rolls into each of the lonely outposts along the 500-mile line. In a typical visit (above), the PX stayed less than an hour but grossed more than \$300 among only 70 men.

six months of '42; rayon was about even; cotton fractionally (not over 1%) behind. Cotton probably would have made a worse showing but for the fact that some conversion from heavy materials, such as duck, permitted an increase in yardage. Nobody thinks this over-all performance can be bettered in the last half.

• Problem of Prices—WPB is determined to keep textile production at present levels, in spite of the steady attrition of manpower losses. Textile men say they can't do the job unless they can increase wages—and prices. Wage increases can generally be engineered within the letter of the Little Steel formula because of the industry's low pay scale.

Mills are not enthusiastic about OPA's idea that these increases should come out of the first profits some of them have made in many years. And since the mills do the producing, a general (but not spectacular) upward revision of textile prices is in the works.

• WPB Stands Guard—Feeling in OPA is that fabric prices have increased more sharply than prices of clothing and other finished goods, and that increases (if any) should be on the end products. But the mills turn out the yardage, and WPB will see to it that they get their share.

To insure civilians of enough work clothes, infants' wear, winter underwear, cotton house dresses, and other essential items, the Office of Civilian Requirements is pursuing a policy of cajoling a

little, arguing a little, and using the whip hand occasionally when everything else fails.

OCR's boss, Arthur Whiteside, has the confidence of the trade, which gives him the credit for finagling woollens, parachute silk, and shirting out of the Army, and for recently engineering yarn allocations to manufacturers of heavy-weight underwear.

• Trouble-Shooting—When wage increases are necessary, OCR will go to the National War Labor Board; when price increases are necessary, it will go to OPA. Shortages will be tackled as they occur. On work gloves, for example, the main trouble was found to be low wages. NWLB already has granted several increases where they were most needed.

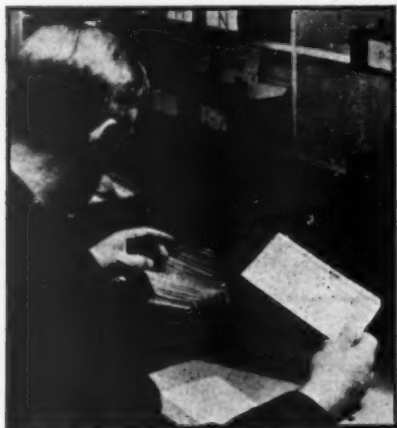
OCR is no longer worried about a shortage of civilian textiles. Plans for such drastic measures as banning "non-essential" goods like draperies and bedspreads are now in limbo, because the agency thinks it has the system for getting enough of the essentials with a little left over for frills.

• For Foreign Relief—The Big X in the textile equation right now is how much is going to be shipped abroad for relief and lend-lease operations. Some six weeks ago, WPB estimated that procurement of textiles for foreign shipment (exclusive of military supplies) would not exceed 5% or 6% of total fabric and yarn production this year. Now the Sicilian success makes it likely that these estimates will be scaled upward.

Food Plan Falters

WFA, OPA find they are at loggerheads over U. S. purchase and resale of crops at prices designed to hold line.

Food and price authorities still are huddling over Washington's new plan to buy all farm crops and resell them at prices designed to hold down the cost of living (BW—Aug. 7'43, p7). This program, which would call for contracts with each individual farmer, telling him just what he should grow, and for complicated marketing machinery, is giving plenty of trouble.



The War Food Administration and the Office of Price Administration, as might have been expected, began to develop divergent opinions on the new plan as soon as they waded in up to their ankles. WFA is willing to underwrite government marketing of crops sufficiently to help the farmer, but not enough to stir up Congress. OPA, for its part, is only mildly interested in farm prices and wants, instead, to knock down retail prices.

Upshot of the haggling is that the buy-sell program, for a starter at least, will be confined to record breaking crops whose price, in consequence of over-abundant production, is pretty shaky anyhow. OPA has not stated what such crops might be, but WFA more or less let the cat out of the bag by issuing a

small flurry of press releases on potatoes and sweet potatoes.

● **Spuds Worry WFA**—Prospects for the potato crop this year are 443,000 bu. as against 371,000,000 in 1941, a ten-year average of 363,000,000. Potato production currently is estimated at 81,000,000 bu., compared with 65,000,000 in 1942 and an average of 69,000,000 during the 1932-41 period. The support price on potatoes is approximately \$2 a hundredweight, while the government floor under sweet potatoes is \$1.15 a bushel and up.

Chances are that when the big spud crop is harvested, prices will break, and WFA (through the Distribution Administration) will have to buy potatoes to keep a floor under them. This has already happened with early Irish varieties, of which FDA bought up 6,400 carloads (or about 10% of the crop). All in all, both WFA and OPA agree that the government will be the owner of a lot of potatoes, but the big question is, "What should the government do with them?"

● **Possible Answers**—WFA would like to do one or more of several things: (1) sell the potatoes to canners and processors, (2) have them converted to starch, and (3) peddle them among war agencies and state institutions. In other words, WFA favors a program of keeping the excess supply off the market so that prices will be stable. The government won't have to buy the whole crop.

OPA, contrariwise, is arguing against WFA's alleged creation of an "artificial normality." Its idea is that WFA should pour any potatoes it buys into wholesale-retail channels so that prices will be low all around even though farmers have to keep selling to the government. If necessary, OPA even favors higher support prices so that Uncle Sam can bring every last commercial potato to the government bin. Then OPA would dump the potatoes to break the price. Upshot would be a reduction in the cost of living.

● **Vinson the Umpire**—Economic Stabilization Director Fred Vinson will have to umpire the debate. WFA isn't sure it can win and deems a compromise the best way out. OPA would be satisfied with a compromise as better than nothing but figures it can do better than that if it pushes its case hard. And that's just what's going on now.

Until Vinson makes a decision, the buy-sell program for other crops will be held up. Basically, however, OPA favors major buy-sell operations on only two other types of foods (both in short supply, and neither of them very important in the cost of living). A stall here would not be disastrous, although fractional gains are important to OPA in its tussle with the cost-of-living index.

● **OPA Looks Ahead**—Meantime, OPA is pretty sure that during August and



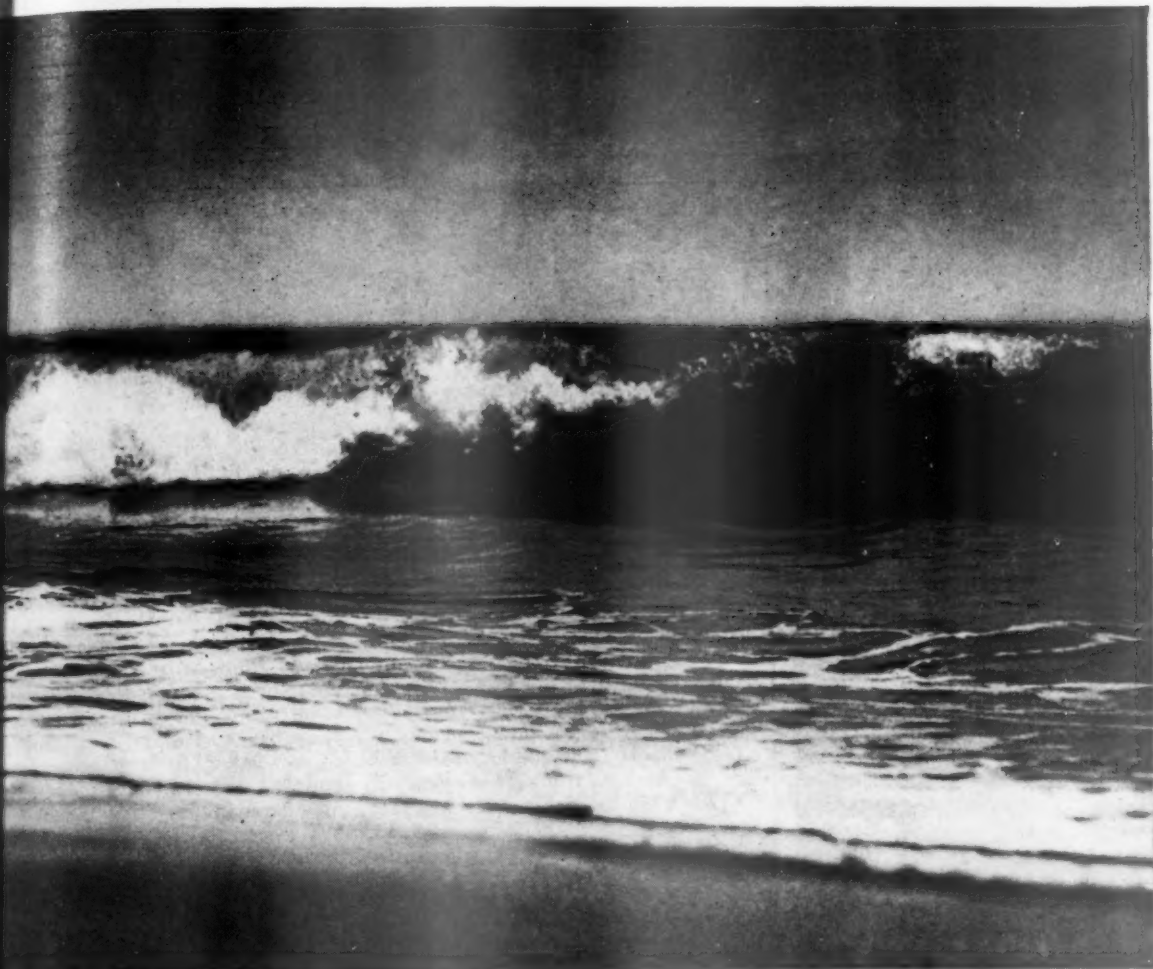
FILES OF FATE

Clearing house for misery is the International Red Cross' central information bureau for war prisoners at Geneva, where the filing system's growth is nurtured by the quickened pace of global war. Keeping track of hundreds of thousands of prisoners, routing their mail and packages, is the job of 5,200 Swiss, few of whom are paid. Language experts are necessary

to translate reports on prisoners, such as the Japanese list (above right) of captured Americans, then forward information to proper agencies. Each prisoner is listed on a card perforated according to a special code (above left) to facilitate rapid classification. Index to the fortunes of war of a nation is the size of its filing system. Battered France, its sons working throughout Europe as Axis labor prisoners, has one of the largest (below).



"Unforeseen events . . . need not change and shape the course of man's affairs"



SOME THINGS WON'T WAIT

EVEN in less troubled days than these, a thoughtful man recognizes that there is no time-table for the inevitable.

So he loses no time in making a will for the protection of his heirs and the conservation of his estate.

And the same logic that leads him to make his will in the first place, brings him to safeguard the *administration of the estate*. He will not avoid one gamble only to accept another.

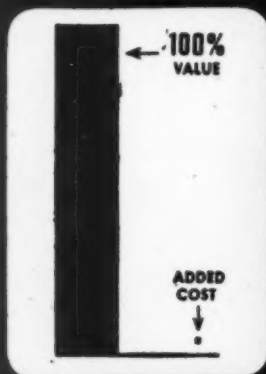
He and his lawyer make certain that the executor named in the will—*no matter who he may be*—is bonded so that the estate cannot be dissipated or wrecked by dishonesty.

Bonds for executors, administrators, guardians, receivers—and for all types of court proceedings—have been issued by The Maryland for years. Ask your agent or broker for full information today. Maryland Casualty Company, Baltimore.

THE MARYLAND

practically every form of Casualty Insurance and Surety Bond, for business, industry and the home, through 10,000 agents and brokers.

SO MUCH FOR SO LITTLE



PAPERS made from 100% new white cotton cuttings save critical war materials. Yet the most durable L. L. Brown ledgers*, instead of ordinary papers, add less than 1% to accounting costs, yet guarantee 100% protection—utmost resistance to wear. Ask your printer for samples of the following:

L. L. BROWN LEDGER PAPERS

* L. L. BROWN'S LINEN LEDGER
100% New White Linen & Cotton Fibres

* ADVANCE LINEN LEDGER
100% New White Cotton Fibres

FORWARD LINEN LEDGER
100% New Cotton Fibres

L. L. BROWN'S FINE
85% New Cotton Fibres

GREYLOCK LINEN LEDGER
75% New Cotton Fibres

ESCORT LEDGER & MACHINE POSTING
50% New Cotton Fibres

* Permanent Papers

L. L. BROWN PAPER CO.

ADAMS, MASS.



September the cost of living will drop another 1½% to 2% because of (1) the continued effects of the rollbacks on meat and butter, (2) better policing of ceilings on food, and (3) the seasonal influx of edibles, including the Victory garden harvest. After that, however, upward pressures on the index will get stronger. These will come principally from eggs, poultry, and dairy products (affected by the feed situation), and a growing uneasiness in clothing prices. Judge Vinson will have to take that into account in deciding the potato case.

Lard in the Lurch

Refrigerated warehouses are full to bursting, the surplus keeps on growing, and present point value may have to be cut.

The same shortage of refrigerated warehouse space that brought civilians a butter windfall this month (BW—Aug. 14'43, p. 37) is playing hob in the lard trade. With fat hogs coming to market at a great rate, packers are running out of space to store the lard rendered from their carcasses.

• **Stored in Railway Cars**—Warehouse supplies of lard in Chicago alone increased almost 2,100,000 lb. in the first half of August, rising to a total of 53,120,649 lb. against 28,284,350 a year ago. One large pork packer in Iowa not only has his cold storage space loaded with lard but also is storing still

more of it in 15 railroad cars on the way to market. The government, meanwhile, has complicated the situation. Buying for the War Food Administration dropped from 147,548,000 lb. in June to 939,000 lb. in July, and purchases have been curtailed even more sharply in August. The result of government takings is fat backing up in cold storage warehouses which are jammed to the doors.

• **Rationing Problem**—Thus it is too surprising that lard has joined a gradually growing list of food items finally edging down from their ceiling prices. The packers' predicament is aggravated by consumers' disinclination to part with red ration points for lard.

More sows are being marketed because of lack of feed and the uncertainty of getting feed later on. When spring-born pigs come to market in October, lard production probably will step up to about 170,000,000 lb. a month.

• **Competitive Picture**—Nor is the surplus expected to have much effect on the supply of other edible fats and oils as far as the consumer is concerned unless OPA should choose to displace consumers from vegetable shortenings (made from corn oil, cottonseed oil, etc.) by further reducing the point value of lard, already three points against vegetable shortenings' four. Some lard is now going to soap manufacture, however, and commercial bakers also use the shortening that is best priced. WFA recently allotted soap 7,000,000 lb. (BW—Aug. 14'43, p. 5).

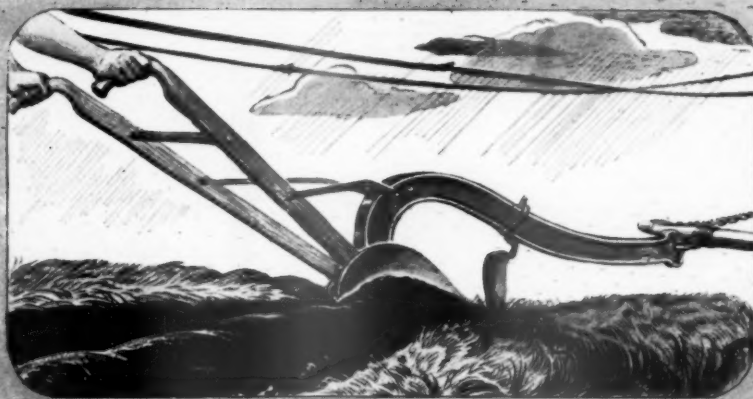
In addition, some small packers, who



MEN OF STEEL

Three steel leaders (left to right), B. F. Fairless, president of U. S. Steel, Eugene G. Grace, president of Bethlehem, and W. F. Detwiler, board

chairman of Allegheny-Ludlum, meet Maj. Gen. Levin H. Campbell, Jr., chief of Army Ordnance, at the Army's Aberdeen Proving Ground. Object: to see a demonstration of equipment made of their products.



"FIRST THINGS FIRST"

This is a cardinal principle everywhere. Yet many who would be quick to agree in theory, fail to apply it in their purchase of insurance.

With business insurance, the first thing is protection. But the first step in getting it is to secure the services of a competent brokerage organization. From this will flow every detail of a sound insurance plan—the right contracts for your particular business, the right insurance companies, complete coverage of your insurable risks, unbiased advice on all insurance matters, including informed assistance

in the determination and collection of claims recoverable from the insurance companies.

Johnson & Higgins have the same "know how" in insurance that you have in your own business. It is the result of nearly 100 years of activity as insurance brokers for leading business concerns. Their experience—and nationwide organization—are at your service. Their compensation is not an extra fee from you, but a brokerage paid by the insurance companies.

Write or phone one of our offices today for further information.

JOHNSON & HIGGINS

Established 1845

INSURANCE BROKERS

63 WALL STREET • NEW YORK

Buyers of Insurance for Commerce and Industry

CHICAGO

DETROIT

PHILADELPHIA

BUFFALO

HAVANA

LOS ANGELES

SAN FRANCISCO

SEATTLE

VANCOUVER

WINNIPEG

TORONTO

MONTREAL

"... how are we doing it, John?"



INTER-OFFICE MEMO

To: John McGuire
Factory Supt.

Subject: Miscellaneous
New Ideas

Dear John:

I sat next to Tom Scanlon at Rotary this noon and got to asking him about his mill supply business. When I asked him what, if anything, his men could be talking about these days, he gave me a few examples from just one of his lines — the "Blackhawk" line, he called it.

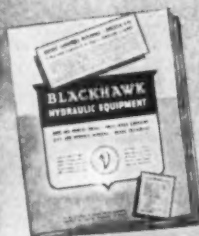
It sounded good to me and I know you'll want to check into it. Seems that they have a special hydraulic jack called "Porto-Power." It works in all directions and hooks up with attachments to push, pull, clamp, bend, etc. It's used in pulling gears, bending pipe, lifting and moving machinery and doing a lot of other tough jobs that, Tom says, ordinarily take any plant twice the time and manpower with old methods.

And I always thought all wrenches were the same until Tom started describing Blackhawk wrenches and how some of their special features cut down assembly time.

About this Porto-Power for lifting and moving machinery ... how are we doing it, John?

Bill
General Manager

Write for this **BLACKHAWK** Literature on HYDRAULIC JACKS ★ PORTO POWER ★ WRENCHES



HYDRAULIC EQUIPMENT CATALOG — Jacks, up to 50 tons capacity, all one-man operated. Porto-Power for maintenance and production work — pipe bending. Gauge equipment for measuring vast tonnages.



WRENCH CATALOG — Features quick-detachable interchangeable socket wrenches that have the patented "Thumb Release Lock-On" feature. Also open-end and box-type wrenches and specialties.



TORQUE INDICATOR BULLETIN — Torque Indicators assure uniform tension on nut and bolt assemblies — prevent bolt breakage, excessive wear, loss of compression and many other mechanical ills.

FREE BLUEPRINTS show how to build your own shop press for use with 20 and 50-ton Porto-Power Hydraulic Units.



"MEET THE MECHLINS" — a new booklet presenting valuable tips on speeding up production through more effective use of standard wrenches. Contains helpful hints on tool conservation.

ALSO — PRODUCTS FOR YOUR PRODUCTS

Blackhawk Hydraulic Equipment and Service Tools are popular choices for many manufacturers who need dependable products of this type for resale with their own equipment. Special data awaits inquiries for such present and future requirements.

BLACKHAWK MFG. CO.
3300 West Rogers, Milwaukee 1, Wis.

Send special packet of literature on hydraulic equipment and wrenches — also blueprints on how to build your own shop press.

Firm _____
Name _____ Title _____
Address _____ City _____ State _____

are especially hard pinched because of limited storage facilities and the fact that their nonfederally inspected product, if edible, cannot move in interstate commerce, are denaturing their product by disposing of it to soap makers.

• **Who Will Use It?**—There are possible outlets for the growing surplus (assuming that the war situation remains tight): (1) countries who presumably would take more point values were adjusted; (2) the United States; (3) lend-lease; and (4) export.

Before the war, we shipped a large amount of lard to Germany, Central Europe, the Baltic countries. Now these markets are cut off, and exports to other Allied countries depend on the shipping situation. But Mexico, Cuba (and, to a lesser degree, some of Central and South American countries) could and would take a substantial amount of lard if the Office of Economic Warfare and WFA allowed trade.

Dehydrator Mes

WPB manages to patch program for manufacture of home units after watching companies shy away from it

From the beginning, food industry men have pooch-pooched the plan to build 100,000 domestic food dehydrators for home consumer use. Last week they felt their skepticism had been justified when WPB admitted that ten manufacturers had pulled out of the program. Four others requested to have their original quotas reduced.

• **Two Names Added**—As a result, WPB had to reorganize the whole show. Smaller War Plants Corp. furnished names of five new manufacturers who were willing to take a chance on home dehydrators. Two manufacturers on original list had their quotas increased. WPB's plan still provides for the completion of home dehydrators by September, but skeptics doubt whether many will be finished by that time.

Even if they are finished by September, food men contend that this will be too late to permit distribution and sale this season's crops.

Although WPB's public statement claims that the program resulted from "urgent requests of the War Food Administration," food processing experts in WFA profess nothing but scorn for the home dehydration idea. Original idea was born in the minds of Rural Electrification Administration officials.

• **Political Expedient?**—REA pushed the idea which caught on in late spring among wartime food production officials and a few companies who were seeking some sort of war article to



New technique for blood transfusions uses special rayon fabric

HOW MANY TIMES have surgeons defeated death with aid of a blood transfusion?

It is a serious hazard in the administration of blood and plasma is the presence of fibrin and gelatinous material in the stored product. And this problem is particularly emphasized today with the huge quantities stored in blood banks throughout the country and our hospitals abroad for war purposes.

For successful transfusions, fibrin and gelatinous material must be filtered out. But sometimes the filters clog or leak in use. Metal screens are either too coarse to catch the undesirable material or so fine they clog easily. Gauze filters are difficult to clean aseptically. Gauze filters have no solution. Their fibers may be liberated into the transfused blood.

To offset these hazards, the laboratories of American Viscose have engineered a special, sheer rayon cloth. It is now being used by several well-known public hospitals and clinics.

Placed in an inexpensive, disposable apparatus, the sheer rayon filter bag does not clog or leak in use. It liberates no fiber particles in the solution. It permits continuous administration of the blood and plasma under aseptic conditions.

Here is a new measure of safety that furthers the development of American surgery. And American Viscose Corporation is proud of its contribution...another example of its program of continuous research for the development of new yarns and improved fabrics from the basic fiber, rayon, for America.

AMERICAN VISCOSE CORPORATION

Producers of CROWN® Rayon Yarns and Staple Fibers

Sales Offices: New York, N. Y.; Charlotte, N. C.; Providence, R. I.; Philadelphia, Pa.

★ BUY UNITED STATES WAR BONDS AND STAMPS ★

*Reg. U. S. Pat. Off.

Copyright, 1943—American Viscose Corp.

FILES

WOOD

by *Globe-Wernicke*

the most complete
line available

★ For almost every filing purpose there is a wood file made by Globe-Wernicke. Your filing requirements can best be met with these efficient, attractive and dependable filing cabinets.

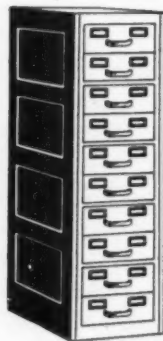
They are available in two, three, and four-drawer letter and legal sizes . . . insert drawers . . . horizontal files and sections that can be built in many combinations . . . card index cabinets . . . tabulating machine card files.

Consult your local Globe-Wernicke dealer . . . or write direct to us for more information.



★
Insert drawers
are available for
3"x5" and 4"x6"
cards, check and
folded documents.
Furnished in imi-
tation walnut and
green finishes.

★
Card Index Files for
3"x5", 4"x6", and
5"x8" cards. Many
other styles available.
Furnished in imi-
tation walnut and
green finishes.



★ BUY MORE WAR BONDS ★

Globe-Wernicke

CINCINNATI

Makers of over 4000 Items
Needed in Offices

place curtailed production of civilian items. As a result, the program for 100,000 simplified home dehydrators was worked out and frankly labeled by WFA men as the cheapest price WPB could pay in materials to get out of a bad political situation. Following are the names and quotas of those remaining in the program:

Albano Co., New York City.....	2,000
Bailey Lumber Co., Bluefield, W. Va.....	10,000
Becket Electric Co., Dallas.....	2,200
Burdick Baron Co., Dallas.....	5,000
Burt Co., Denver.....	500
Climax Machinery Co., Indianapolis	500
H. Conrad Mfg. Co., Minneapolis..	3,000
Edwards Cabinet Shop, East Point, Ga.....	500
Electromaster Inc., Detroit.....	50
Folding Carrier Co., Oklahoma City	1,000
General Bronze Corp., Long Island City, N. Y.....	2,500
General Electric Co., Bridgeport, Conn.....	18,000
General Fabricators, Inc., Attica, Ind.....	6,000
Gunnison Housing Corp., New Albany, Ind.....	5,000
Houston Ready Cut House, Houston	10,000
O. W. Ketcham Co., Crum Lynne, Pa.....	1,000
Libman Spanjer Corp., New York City.....	500
Macon Cabinet Works, Inc., Macon, Ga.....	200
Metropolitan Device, Brooklyn....	7,500
Pierce Phelps, Philadelphia.....	4,500
Refrigeration Corp. of America, New York City.....	3,000
Rome Builders Supply, Rome, Ga..	500
Stanford & Inge, Inc., Roanoke, Va.	2,000
A. J. Stephens & Co., Kansas City, Mo.....	500
Stewart-Warner Corp., Chicago....	1,000
Tennessee Valley Associates, Nashville	1,000
G. A. Tye & Sons, Americus, Ga....	500

GYPSUM SUIT STANDS

Thurman Arnold is gone from the Dept. of Justice, but the shades of his patent-busting crusade linger on. Last week, a special three-judge tribunal in the U. S. District Court at Washington, D. C., refused to throw out the department's civil suit against U. S. Gypsum Co. and six companies licensed to manufacture and sell its gypsum board, plaster, and miscellaneous products. The case will come to trial in November.

Kernel of the Antitrust Division's case against U. S. Gypsum is its use of patents to control licensees' prices right through to the retail level. This exercise of patent rights to exert marketing controls past the primary level was the main issue in two other cases which the Supreme Court decided in the Antitrust Division's favor—Ethyl Gas and Masonite (BW—May 16 '42, p. 28).

U. S. Gypsum asked that the civil suit be dismissed because in 1940 a district court judge had directed a verdict of acquittal in a concurrent criminal case.

A Farm Era Ends

Congressional change
schedule of payments made
agriculture closes a decade
New Deal controls.

When an intergovernmental subcommittee of the Dept. of Agriculture's Advisory Committee told Secretary Claude R. Wickard that the formula must be discarded to make adequate war food production, it was only describing in cold words a situation that Congress has developed over the past 18 months. Despite Wickard's repudiation of the report on August 1, Congress already had stripped part of all financial support so far as the farm is concerned.

● **No More Parity Money**—While the word will continue to be used by politicians, the New Deal farm program which enthroned the parity idea in the nation's agricultural economy, has finished a complete cycle in ten years. Starting in 1944, there will be no government money to back up the long-sounding concept.

With the exception of Commodity Credit Corp. loans on several basic crops and 300 million dollars for soil conservation practices, the farmer in 1944 will have to do without the beneficence of the intricate system of direct government payments which started in 1933. ● **What It Used to Be**—The farm bill of the farm organizations, Congress, and the war have wrought great changes in the New Deal farm program. By way of comparison, here is what the farmer got from the government in 1943, the peak year for the direct government farm benefit program:

(1) Under a law enacted in 1938, Commodity Credit Corp. would lend any farmer 85% of the parity value of his crop of wheat, cotton, or tobacco. During 1943 legislation was enacted raising this mandatory loan program to at least 90% of parity except for the feed crops of corn and wheat on which the loans could be made at 85% of parity. However, this did not take effect until 1943.

(2) Under the Soil Conservation Act of 1936, the Agricultural Adjustment Administration provided the following allotment conservation payments; corn, 5¢ a bushel; cotton, 1.2¢ a pound; peanuts, \$1.25 a ton; wheat, 9.9¢ a bushel. These payments were made to a farmer if he planted crops within his individual acreage allotment (computed by the county committee according to the Agricultural Adjustment Administration's national goals). In addition, he had to abide by certain minimum soil-conservation and soil-building requirements.

(3) Under the same soil conservation law, Triple-A reimbursed any farmer for part of the costs involved in certain soil conservation activities (for example, the

End
change
ts mad
decad
ent sub
culture
ld. Sec
t the
ed to
tion, it
is a situ
ed over
e. Wick
n August
ed part
is the fa
-While
used by
arm prog
idea in
ny, has
ten ye
be no
p the
Commis
basic c
soil con
in 1944
efficien
ect gov
ed in 19
farm b
ngress,
change
n. By
the far
in 194
governm
1938, C
any far
his co
uring 19
this ma
% of p
com
uld be
his did
tion Act
at Admin
allotm
\$ a bush
\$1.25
e paym
planted
eage al
commis
Adjustm
In ad
minim
g requ
conserva
farmer
ertain
mple, t
21, 19



TONGUE OF FLAME

Industrial flame thrower is Harry Reiners. While flame throwers in the army use their torches on tanks and pillboxes, Reiners points his at ship propeller shafts in the machinery shop of Federal Shipbuilding & Drydock Co., Kearny, N. J., in order to sweat out heavy bushings.

application of superphosphate fertilizer to pastures or the seeding of soil-building crops). Broadly speaking, this part of the conservation program meant that a farmer got back about \$4 for every \$5 he spent on soil conservation.

(4) Under the AAA Act of 1938, the government paid so-called parity payments on corn, wheat, and tobacco. The law requires the payment of additional money to farmers on their production of basic crops if the national average of prices for any given crop or the government loan rate on that crop (whichever is higher) added to the allotment conservation payment does not reach parity. In order to make corn reach parity in 1942, even after adding in the allotment payment, a farmer had to pay 7.2¢ a bushel; on wheat, it was 13.7¢; on tobacco, around 1¢ a pound.

(5) For so-called nonbasic crops—those which couldn't get allotment or parity payments—the Agriculture Dept. maintained a system of local or regional marketing agreements which fixed prices paid by distributors to producers—primarily for milk.

What Remains—Because Congress refused to appropriate money, parity payments were completely eliminated from the program for the 1944 crop year. For 1943, however, the farmer still has: (a) basic CCC loans; (b) allotment conservation payments; (c) soil conservation reimbursements; and (d) marketing agreements on nonbasic crops to the extent that wartime price control



Tough Problem + Stainless Steel = Product Improvement

This precision part for an aircraft magneto *must* be immune from the corrosive effects of salt air. For corrosion would quickly interfere with the magneto's perfect operation. But that's only *half* of the reason why a Carpenter *Stainless Steel* was selected for the job!

Mass production of this unusual part would have been impossible without a non-magnetic *Stainless Strip* that could be easily milled and drilled. Thus, because of Carpenter's invention of *Free-Machining Stainless Steels*, the problem of

producing thousands of machined parts was solved!

This job requiring special fabricating qualities is typical of how Carpenter's research has increased the usefulness of *Stainless Steel*. Let us help you apply the advantages of Carpenter *Stainless* to your new or redesigned products. Our Metallurgical Department can give you technical assistance—and your nearby Carpenter representative will be glad to work with you and provide printed information to help you lick difficult fabricating problems. Drop us a line today.

The Carpenter Steel Company, Reading, Pa.

Carpenter

STAINLESS STEELS

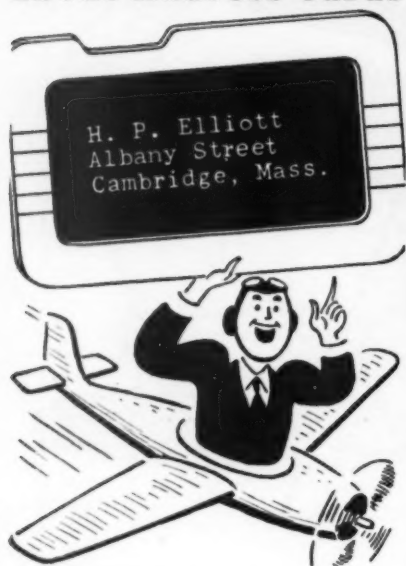
➔

...for

- Strength
- Rigidity
- Heat Resistance
- Corrosion Resistance
- Longer Product Life
- Sales Appeal

BRANCHES AT
 Chicago, Cleveland, Detroit, Hartford,
 St. Louis, Indianapolis, New York, Philadelphia

Let's Get *Air-Minded* about Address Cards



You can fly Elliott Fibre Address Cards from New York to Lisbon for \$22.40 per thousand. That's less than 150% of their selling price.

At the same freight rate you would have to pay \$196 per thousand to fly card-index metal address plates over the same route. That's about 800% of their selling price.

The plane could carry 1,500,000 Elliott Address Cards at a time because the entire load would only weigh 12,000 pounds. It would take nine big transport planes to carry 1,500,000 metal address plates.

Add to the above figures the fact that Elliott Address Cards are clean to handle.

So, after the war, why not let your hard-working "Rosie the Riveter" wash up and enjoy the peace and quiet of a modern Elliott Addressing System?

If you are still using old-fashioned address plates, send for "The Story of a Father and Son." It's the fascinating story of the development of modern addressing.

THE ELLIOTT ADDRESSING MACHINE CO.
151 Albany Street, Cambridge 39, Mass.

• BUY WAR BONDS •

Elliott

ADDRESSING MACHINES

... for Social Security ... Taxes ... Billing ... Disbursements ... Collections ... Advertising ... Record Control ... Payrolls ... Public Utilities ... Insurance Companies ... Issuing War Bonds.



WIRE WOMEN

In a group of test cities, Western Union is trying a new scheme for beating messenger shortages by hiring suburban housewives to handle telegrams for neighbors who have no telephones. Typical is Mrs. Hazel Halvorsen who receives messages tele-



phoned to her Chicago home from a wire office, types them on official blanks, and delivers them. Such women operate as accredited agency representatives and are paid standard commissions only. Western Union's prime requisites for its new agents: previous business experience and an antigossip oath to guard messages' contents.

and rationing have not made them obsolete.

Aside from the elimination of parity payments, the second big difference between the 1942 and 1943 programs is this: In 1942, allotment conservation payments were made on the basis that a farmer kept within his allotted acreage and penalties were assessed on acreages planted in excess of the allotment; in 1943, no deductions are being made for over-planting of any basic crop except burley and flue-cured tobacco. In addition, in 1943 a farmer has to plant his allotted acreage of war crops—soybeans, peanuts, long-staple cotton, etc.—before he is eligible for allotment payments on basic crops.

• **Motive Has Changed**—Thus the allotment conservation payments, which originally were used as a means of keeping acreage down so as to avoid price-breaking surpluses, have been turned into a device for encouraging the planting of war crops and permitting the acceptance of government benefit payments even though allotted acreages of basic crops are exceeded. Even if parity payments had been continued for 1943, wheat would have been the only recipient.

The main difference between the 1943 and the 1944 programs, as outlined to date by congressional legislation, is that allotment conservation payments have been eliminated for 1944. Congress cut these from the Agriculture Dept. appropriation bill by limiting the funds to be spent under

the original 1936 soil conservation law to 300 million dollars for partial reimbursement of the costs of soil-building practices.

• **Incentives Turned Down**—Throughout 1942, Secretary Wickard sought authorization from Congress for "incentive payments"—special payments to farmers who would meet specified goals in the types of foods especially needed to support the war program. However, Congress consistently refused to authorize these on the farm bloc's theory that consumer prices should be increased to provide the farmer with the incentive to grow these war crops.

Without parity or allotment conservation payments for 1944, War Food Administrator Marvin Jones has proposed a billion-dollar appropriation out of which the government can support prices of farm commodities at levels sufficient to insure maximum production. Farm organizations and the farm bloc have no objections to supporting prices, but they are ready to fight any Administration effort to resell commodities bought under the support program at prices below those which the government paid (the buy-sell scheme, page 20). In short, the farm bloc wants high support prices with consumer ceiling on the resulting processed foods raised to the point where the housewife pays the support price to the farmer. Government purchases at the support price and resale below this price, according to farm leaders, represent nothing more than a hidden subsidy.



Music broadcast during "fatigue periods" provides an inspirational lift in busy tube war plants throughout the nation.

M-U-S-I-C spells "PLANT MORALE"

THAT'S the way they're spelling it today—in war factories equipped with RCA plant-broadcasting systems.

And these same systems are saving precious time by locating widely scattered personnel—in shipyards, arsenals, and other war plants—in seconds instead of minutes.

Plant broadcasting of properly selected music is proving of immeasurable aid in increasing productive efficiency. The mental and physical harmony produced by such broadcasts helps overcome fatigue, drives the boredom of monotonous work, reduces war-heightened worry and fear—and thereby releases extra energy for vital war production.

Mass singing, too, conducted by an experienced leader, works wonders in building a sense of unity, comradeship, and teamplay. Lucy Monroe, RCA Director of Patriotic Music, who has conducted "Industrial sings" at many plants, may be able to include your plant in her itinerary of "industrial sings." If you will write to the address below, we will notify you promptly if your city is on Miss Monroe's itinerary. And we will be glad to send you a special folder giving details of the RCA Industrial Music Library Service—a service that will add harmony and productive efficiency to your war effort.

Write RCA, Dept. M26, Camden, using business letterhead. No obligation.



RADIO CORPORATION OF AMERICA



Lucy Monroe is devoting her entire time for the duration to "singing for victory"—at Army camps, Naval stations, and war production plants.



Building **TOMORROW** *Today*

Today the world is teeming with its greatest adventure. Soldiers, industrialists, scientists, craftsmen are widening man's horizons, broadening his activities, and enlarging his store of useful knowledge—knowledge that will find full expression in the creation of hitherto undreamed of products for a free world to enjoy. Michaels has dedicated its entire resources to war needs, but some day will return to the skillful production of various metal goods needed by a world at peace. Even in war, American ingenuity and resources are building tomorrow, today.



The MICHAELS ART BRONZE CO., Inc.
COVINGTON, KENTUCKY

Manufacturers of many products in Bronze, Aluminum and other Metals

Postwar Radio

Manufacturers, engineers shift ground; now urge technical planning board to shape radio of the future.

The tendency of radio manufacturers to hush talk of a super-duper postwar receiving set embodying all the electronic refinements which wartime research has developed has been a peeve of Federal Communications Commission Chairman James Lawrence Fly. He has contended right along that while radio men may slap their prewar models back on the production line the moment military orders cease the competition will be too keen for them to rest long on these models.

• **Postwar Board Proposed**—And the industry itself seems to have come around to something approximately that philosophy with the announcement this week that the Institute of Radio Engineers and the Radio Manufacturers Assn. will submit plans for a technical planning board for postwar products to other radio organizations at a meeting in New York next month.

This is the type of planning Fly advocated. The proposed board would make suggestions to FCC about future developments in radio broadcast spectrum utilization, television, and frequency modulation. Both the American Institute of Electrical Engineers and the American Institute of Physics have been invited to participate in the New York discussions.

• **Reaction Feared**—The radio manufacturers have been afraid that great expectations now on the part of consumers will cause adverse reaction when the first postwar models are shown in the shops.

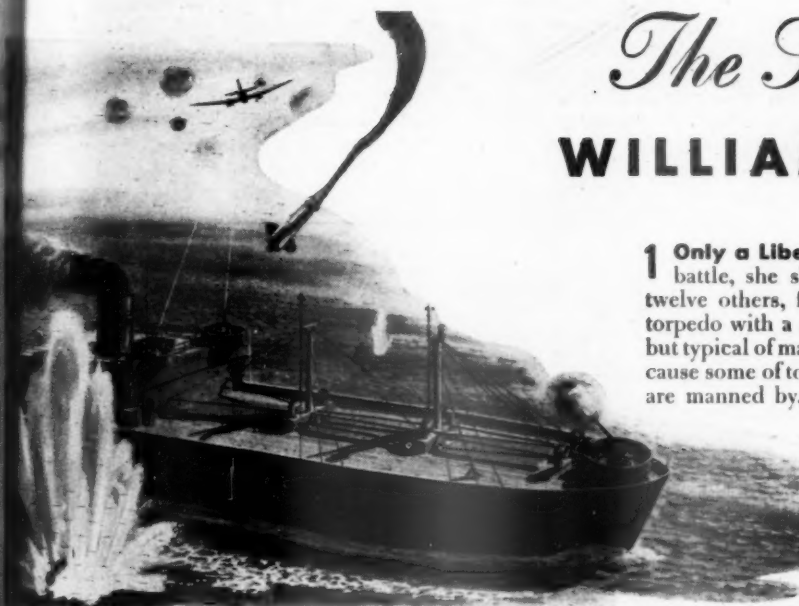
The trade now estimates 60,000 radio receivers in the hands of the American people, getting extra-hard wear at the present time because of a lack of repair attention. By 1946, it is believed that practically all of these radios will be pretty well shot, and that their owners will be shopping for new models.

• **Billion-Dollar Vision**—Projections of sales statistics and probable national income by that time have created visions of \$1,100,000,000 as the share that will get in the retail market when civilian goods are again plentiful. Neither the manufacturers nor the dealers want that kind of money endangered.

To bring all dealers to their senses quickly, T. F. McDonald, Jr., president of Zenith Radio, sometime ago set out a Rube Goldberg type of cartoon ridiculing the far-fetched claims of postwar radio. But Fly has been more optimistic. He doesn't know how soon it will be placed on the market, but

The Saga of the WILLIAM MOULTRIE

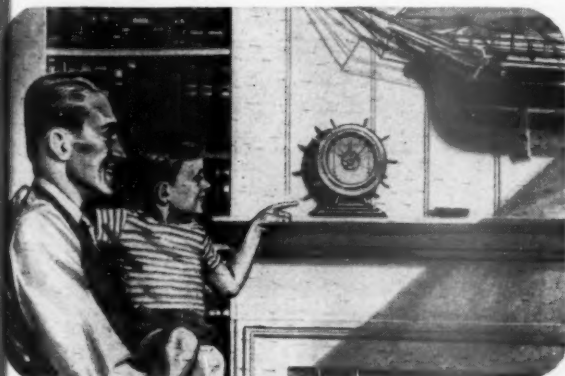
1 Only a Liberty Ship . . . but in an eight-days' battle, she shot down eight bombers, damaged twelve others, fought off a U-boat, and exploded a torpedo with a direct shell hit. A glorious record—but typical of many in which we're proud to share, because some of today's most important battle stations are manned by, not guns, but Taylor Instruments!



2 On ships like this, Taylor Thermometers fight a constant battle against *heat*, because excess heat means danger. Thermometers guard steam lines, superheaters, condensers, fuel oil pumps, powder magazines. It would be almost as hard to run a ship without Taylor Instruments as to make synthetic rubber without Taylor controls.



3 When a submarine starts shelling you, you don't stop to worry about the rated efficiency of your engines. You pile on all the steam you can and hope nothing busts . . . and you know you can depend on the Taylor Thermometers on the superheated steam line to show you when you approach the absolute top limit of safety.



4 The terrific demand for temperature instruments for shipping is one reason why your store may be out of Taylor Barometers or Thermometers for your home. Our war experience is giving us plenty of ideas for exciting postwar instruments. But until then you'll find few Taylor home instruments except Fever Thermometers.



5 Essential war production plants can still get Taylor Instruments on priorities. Your Taylor Field Engineer is anxious to help you on any problem which instruments might help solve. And he can help you make your present instruments last longer. Taylor Instrument Companies, Rochester, N. Y. and Toronto, Canada.

sure in his own mind that the war will wipe out the various classes of broadcast service—standard, frequency modulation, and television—and that one service will take their place.

• **FM to Replace Standard?**—Fly believes that the high-fidelity and relatively static-free FM service will replace standard broadcasting anyway, and since FM is the prescribed standard for the sound part of television, the broadcasters will go into television for partial operation of video, at least.

But there's a long way to go before this can be realized. For one thing, the use of radio is related to channel allocations. Another is that many new uses, stimulated by the war, are being claimed for radio. Public authorities see a chance to revamp the radio frequencies now assigned, and there seem to be signs of a shift for radio stations after the war.

• **Room for Television**—In any reshuffle of frequencies (neighboring nations would have to concur), more room for television will figure prominently. As a technical achievement, television now can stand on its own feet—even color transmission has stood up under severe tests. The cost of receivers also promises to be lower because the mass production of special tube types for the Army and Navy has made possible many manufacturing economies.

But program development, the special types of skill necessary to employ television for mass entertainment, has not reached a high point. Retired movie film hits and public events like political speeches and spectator sports are the likely choices for program fare.

• **Two-Way Radio**—Television isn't alone in the postwar radio picture—the

troops have become familiar with two-way radios packed in convenient sizes. The FCC knows it will have to weigh many new types of service applications—trucking companies, railroads, conventions—wherever there are lots of people or plenty of movement making private communications difficult. Where to put these services and what frequencies to assign will become the postwar era's toughest radio problems.

Barriers Remain

Despite solemn pledges of their governors to speed up wartime traffic, some states still retain stiff truck regulations.

Guerrilla warfare between states over highway barriers has abated little since the famed Federal-State Conference on War Restrictions (BW—May 2'42, p 54), except for state legislation passed this spring relaxing some restrictions on weights and lengths of trucks and trailers.

• **Colorado Rebellion**—Most recent flareup occurred in Colorado last month when truck operators refused to move overweight truckloads under a new schedule of fees imposed by the state highway department, or to move partially loaded trucks under the old scale, except those specified as direct military cargo. During the four-day strike, 90% of nonmilitary truck traffic was halted (including gasoline), and something like 1,250,000 lb. of freight piled up at Denver docks before truckers and state officials called a truce until Sept. 7 to work

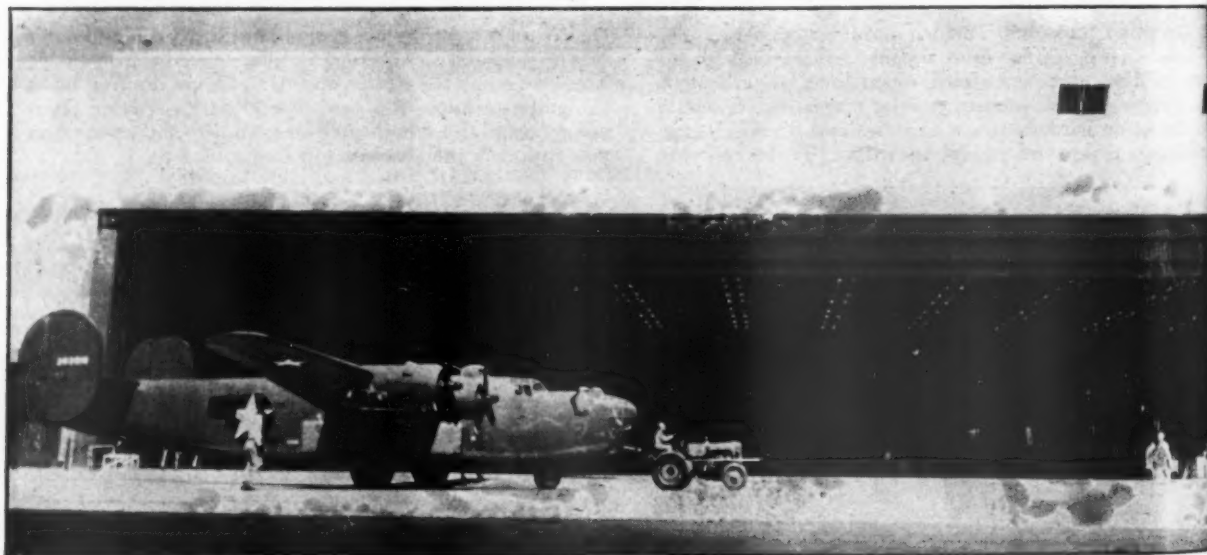
out a settlement of their differences.

No fees had been charged previously for overweight and oversize truck permits; the schedule instituted June 1 ranged from \$25 a year and \$2.50 a trip for trucks loaded one ton over the maximum to \$1,000 a year and \$100 a trip for 16-ton overloads; and from \$10 a year and \$10 a trip for 5-ft. overlength to \$200 a year and \$20 a trip for up to 10-ft. overlength.

• **Truckers Hamstrung**—So far Colorado is the only state to charge for these special wartime permits, but interstate truckers complain they still are hamstrung by conflicting state regulations that delay delivery of vital war materials. This contradicts Jesse Jones' happy announcement in 1942, following the governors' conference in Washington that "all 48 states have agreed to uniform minimum standard and reciprocal license arrangements with respect to motor transport for the duration of the emergency."

In some states, say truckers, the governors took no action whatsoever to trade barriers, despite their conference pledges. In others, the governor's proclamation of minimum weight and size standards recommended by the conference was disregarded by the state enforcement authorities. Cooperating where given, was often a matter of ignoring state laws that conflicted with conference standards. This left truckers in the unhappy position of never being sure how far they could overstep state limits.

• **Illinois Winks an Eye**—In Illinois, for example, the maximum legal load on one axle is 16,000 lb., but truckers tacitly allowed up to 18,000 lb. without



AIRPLANE ICEBOX

Probably the largest, most powerful "refrigerator" in the world is Consolidated Vultee Aircraft's assembly

plant for Liberator bombers at Fort Worth, Tex. Its temperature is so well controlled, to provide ideal conditions for metals and lacquers, as well as employees, that doors can stay open

30 minutes without material change inside. Nerve center of its cooling plant is a 7,000-hp. steam turbine unit which circulates through the system 20,000 gal. of water a minute.

difference
previous
truck
June
\$2.30
over
and \$100
from \$10
overleng
for up
Colonia
these
intersta
are has
regulation
war met
nes' happ
owing to
ashing
ed to m
recipro
ect to m
on of b
the ge
soever
conference
nor's p
t and s
the conf
state
operation
r of ign
with on
rucks
ver be
step sta
Illinois, f
load
rucks
o. witho



Riding to work on wheels of steel

est, too, are Baldwins . . . these car wheels that are
rying such a vital part in stretching the nation's limited
ber supply to cover America's transportation needs.

When wartime tire and gasoline shortages curtailed
ate driving, street railway systems had to pinch hit for
lions of private cars. The magnificent job that transit
s have done has demanded full-time utilization of every
ce of equipment under punishing conditions.

Since Baldwin's Standard Steel Works Division started
n, and grew with, America's transportation industry, it
only natural that Baldwin can produce wheels, axles and
er car parts with the necessary strength and stamina to
et the severest transportation tests.

Baldwin-built tanks and shells are helping to blast
enemy. Baldwin-built presses, throughout American

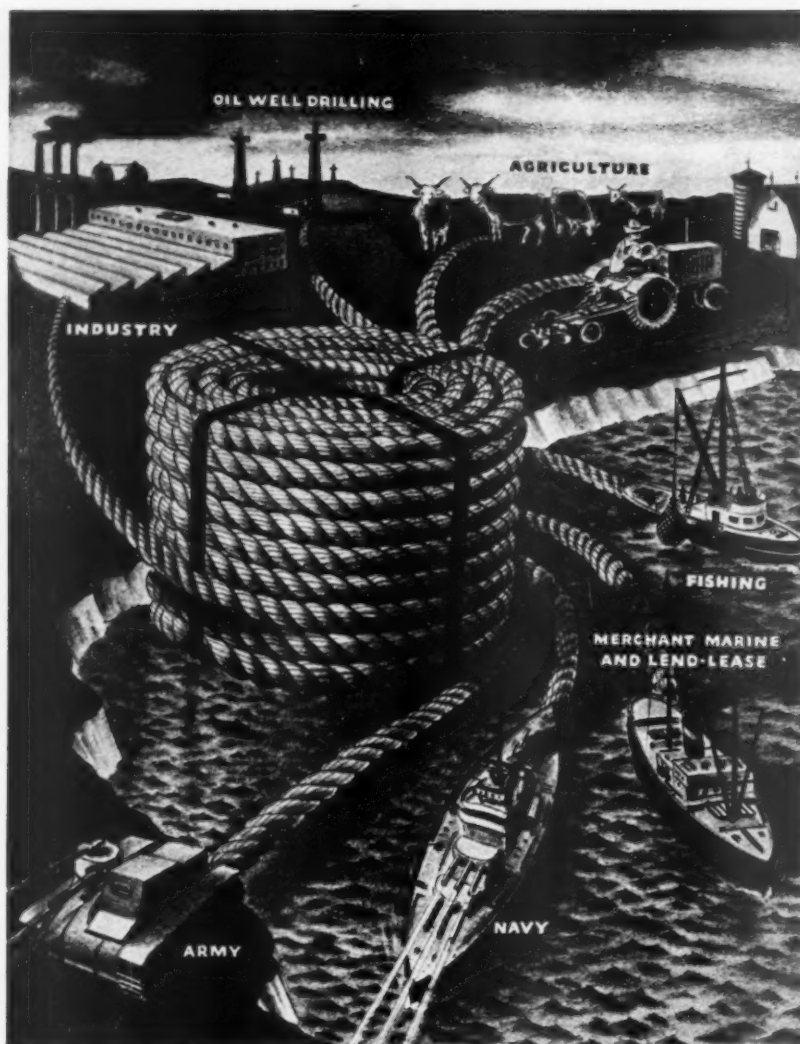
industry, are turning out an infinite variety of vital war
materials. Baldwin locomotives, marine diesel engines,
propellers, are delivering men and material by land and
sea. In wartime Baldwin helps build a victorious America,
as in peacetime it worked for a greater America.



BALDWIN

The Baldwin Locomotive Works, Philadelphia, Pennsylvania:
Locomotive & Ordnance Division; Baldwin Southwark Division;
Cramp Brass & Iron Foundries Division; Standard Steel Works
Division; Baldwin De La Vergne Sales Corp.; The Whitcomb
Locomotive Co.; The Pelton Water Wheel Co.; The Midvale Co.

Baldwin serves the Nation which the Railroads helped to build



SO MUCH TO DO . . . SO LITTLE ROPE

Rope is vital . . . and scarce. We need every foot that we can produce. Even though you may never handle a piece of rope, you can help spread the urgent need of rope conservation. If you USE rope . . . then by all means send for the free Plymouth Booklet "Making Rope Last Longer", and follow its suggestions.

Plymouth Cordage Company, World's Largest Manufacturer of Fine Rope and Binder Twine, North Plymouth, Massachusetts and Welland, Ontario.

PLYMOUTH

ROPE FOR INDUSTRY

BINDER TWINE • TYING TWINE

a special permit. Similarly, the enforcement formula specified 45 ft. as possible length of a tractor-semi-trailer in Illinois such a combination is considered a single unit, hence is limited to 35 ft. State enforcement officers allow 45 ft. without a special permit. Of course, war materials are specifically exempted from state restrictions.

Private carriers have a special vocabulary of expletives for Texas' regulations evolved by the State Railway Commission. Conservation Order 17 of the Office of Defense Transportation requires, among other things, an exchange of equipment among carriers to assure maximum loads. But the commission requires truckers to obtain permits to lease vehicles—and deny permits to private carriers.

• **Railroads Blamed**—Behind all the focus pocus, the truckers profess to be the hand of the railroads. It isn't altogether a mirage, either. Last spring railroads led a successful legislative fight against an ODT proposal to extend the maximum length of trucks to 65 ft., the legal limit in California and Washington. And they beat an attempt in North Dakota to increase weight limit beyond the present 40,000 lb.

Nevertheless, motor freight operators can take heart from favorable legislation adopted by some legislatures this year which represent substantial progress in the fight, long carried on by such groups as the Council of State Governments to level trade barriers. Varying degrees of extraordinary wartime powers were granted to governors or other state officials (theoretically, at least, including power to revise size and weight limitations) in California, Delaware, Iowa, Minnesota, New Hampshire, Michigan, North Carolina, Oregon, Pennsylvania, Rhode Island, South Carolina, Vermont, and Washington.

• **More Reciprocity**—Broader provisions for reciprocity were allowed by the legislatures of Illinois, Minnesota, New Hampshire, South Dakota, Tennessee, Utah, Wisconsin, and Wyoming. The range from Illinois' creation of a Senate committee to investigate relationships between Illinois laws and those of other states, to New Hampshire's full reciprocity for all nonresident vehicles.

But truck operators complain that in the past, at least, reciprocity has been extended only where no real money was involved. For example, the New York State War Council's resolution dealing with barriers for trucks between states applied only to reciprocal agreements of registration and operating privileges, specifically exempted public utility permits required of all vehicles operating for hire.

• **Some Restrictions Lifted**—Still more important to truckers are the state laws passed this year relaxing weight, length, height, or width limitations, in Delaware, Minnesota, Missouri, Nebraska,

ly, the co
5 ft. as per
semitrailer
ination is le
ence is leg
forcement
a special
rials are sp
te restrict
special vo
as' regulat
way Com
er 17 of
transporta
ngs, an in
ong carri
But the
o obtain s
—and de
and all the
profess to
It isn't a
st spring
gislative f
to extend
to 65 ft.
nd Wash
mpt in No
limit beca
ght operat
orable
es this re
progress
such grou
governmen
ying deg
powers
er state
t, includ
right line
ware, low
Michigan
Pennsylv
olina, V
r provis
by the
osota, N
Tennes
ing. The
of a Sen
lations
se of off
full ne
hicles.
ain that
has be
money
New Yo
ion det
een stat
ements
vileges
utility p
operat
Still mo
state law
t, leng
in Del
Nebrask



QUEST FOR METALS

ep in Colorado's San Juan range, a
g of tunnel drivers are boring into
ta expected to yield at least 22,000
s of zinc, 12,000 tons of lead, and
00 tons of copper—based on Bu
n of Mines estimates. Long inac-

tive, the Black Bear mine group has
been leased by Idarado Mining Co. to
the Metals Reserve Co., which hopes
to have ore flowing into Treasury mill
(lower right) within 18 months. In-
cluding part of an old bore, a total of
10,700 ft. of tunnel will be required
before the mine produces.

ew Mexico, North Carolina, Alabama,
th Dakota, Arkansas, and Pennsyl-
ia. Some restrictions were lifted per-
manently; most of them for the dura-
n only.
This legislation should help clear up
the muddle of state restrictions, with
vying degrees of enforcement, and
OT recommendations which not in-
quently conflict with them.

Informers Cashes In

Electrical contractors in
Pittsburgh suit pay \$260,000,
ut U.S. gets half, and informer
ces huge income tax.

For the first time since 1877, the
ivil War "informer's" statute has paid
t, but the jackpot winner is the federal
overnment rather than the informer
who pushed the old law to its first con-
sultive test.
In the U.S. District Court at Pitts-
burgh last week, Judge F. P. Schoon-
maker approved an agreement awarding
\$260,000—\$55,000 less than the amount
ecided by a jury in 1941 (BW—Mar.
9'41,p20)—to the government and

Morris L. Marcus, the Pittsburgh attor-
ney who brought the civil action against
a group of Pittsburgh electrical con-
tractors accused of padding bids on 56
PWA projects.

• U. S. Collects Twice—Under the "in-
former's" act, passed in 1863 to protect
the government from war contract
frauds by permitting individuals to sue
in its behalf, Marcus is to split 50-50
with the government. But Marcus esti-
mates that income taxes will gobble up
so much of his share that Uncle Sam
will get three-fourths of the total. After
paying his counsel, Charles J. Margiotti,
and \$25,000 court costs—of which the
defendants paid \$3,400—Marcus pocket-
ed the remainder.

Permitting the jury's verdict to be ap-
pealed cost the defendants \$160,000,
exclusive of counsel fees and other costs,
because at one stage Marcus was willing
to settle for \$100,000. The contractors
were willing, too, but took a gamble on
complete exoneration and backed out of
the settlement deal when Thurman Ar-
nold, then Assistant Attorney General,
intervened in the case to contest the
validity of the law (BW—Mar.7'42,p40).

• The Books Aren't Closed—The de-
fendants had 30 days to dig up the
\$260,000, but they paid off immediately.
Only 28 of the 41 members of the Elec-

avoid
production headaches
in metal
fabrication

CALL ON CRAFT

We have complete and competent
engineering and production facilities.
Trained men with years of experience,
supported by a modern plant with the
very latest in equipment for metal
fabrication of every type.

SEVEN SERVICES

- SPINNING • STAMPING
- PICKLING • WELDING
- ANNEALING • DEEP DRAWING
- SHEET METAL WORK

PHONE, WRITE OR WIRE for complete information.
Estimates promptly furnished. Send us your blueprints.

Craft MANUFACTURING CO.
3949 W. Schubert Ave., Chicago
Stainless Steel Specialists

Make
NO HUNTING
the
Rule
in
YOUR OFFICE

YES! I HAVE THE FIGURES HERE

Index With
MAK-UR-OWN
TRADE MARK REG. U.S.A.
CELLULOID
INDEX TABS

and turn instantly to every key reference. MAK-UR-OWN tabs on your active card files, books, folders, portfolios, etc., save precious minutes every hour, every day. Inadequate indexing wastes time.

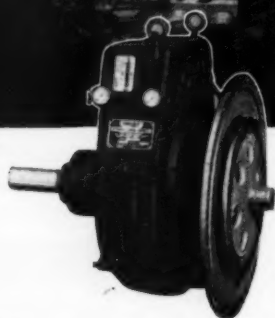
Any index you want—typed, written or printed on the changeable inserts may be slipped into the MAK-UR-OWN strip, cut to length and permanently attached in a moment. *Easy to Use*

See your stationer today and equip every desk in your office with time-saving MAK-UR-OWN Index Tabs.

THE VICTOR SAFE & EQUIPMENT CO., INC.
NORTH TOWNSHIRE, N. Y.



Versatile Harvest



Suppose the earth crossed the path of some mysterious ray, causing all wood products suddenly to vanish! Such a startling event would dramatically emphasize wood's indispensability—would make most of us realize wood's real importance in man's progress.

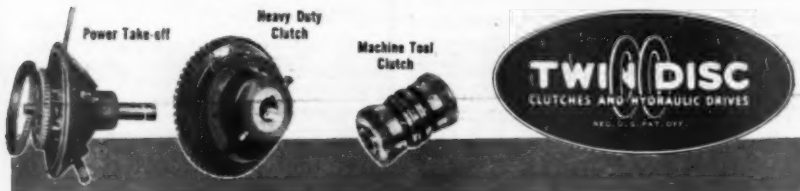
Economical, efficient harvesting of this versatile forest crop became possible when powerful logging machinery was developed to replace manpower and horsepower. Today much of this equipment depends on Twin Disc Clutches for the application and control of power.

The Twin Disc Hydraulic Torque Converter is another good

example of how the Twin Disc Clutch Company's twenty-five-year-old research and development policy adds to everyone's comfort and well-being. The Torque Converter gives to logging equipment performance characteristics which make for lower costs, increased safety and greater speed in logging operations.

The reputation for dependability and durability which Twin Disc Clutches and Hydraulic Drives have earned on the job of bringing logs out of the woods is a direct result of our specialization in the design and manufacture of industrial clutches. If you are building, or plan to build in the future, equipment using clutches, or hydraulic drives, get in touch with Twin Disc engineers today. TWIN DISC CLUTCH COMPANY, Racine, Wisconsin.

The Twin Disc Hydraulic Torque Converter (Lysholm-Smith Type) eliminates gear-shifting, multiplies an engine's torque. It cushions shock loads, prevents engine stalling or damage, handles heavy loads without jerking.



CEILINGS SUSTAINED

An unusual penalty for OPA rent ceiling violations was inflicted on Philadelphia's swanky Warwick Hotel last week by the U.S. District Court which ordered overcharges — estimated between \$12,000 and \$15,000—refunded to patrons. In the event they cannot be located, amounts due there are to be contributed to the U.S. Treasury.

The hotel, located in the exclusive Rittenhouse Square section, was cited for 136 overcharges, ranging from 50¢ to \$1.50 on single rooms, \$1 to \$3 for double rooms. It was also charged with not listing furnished rooms with the OPA, posting no ceilings in at least ten rooms, and falsely registering another suite. The Warwick has 304 rooms, approximately 60% of which are rented to permanent guests, none of whom figured in the suit.

Under the court decree, the hotel management agreed to register all rooms, to post March 1942, prices, and to comply with all other regulations.

trical Contractors Assn. of Pittsburgh agreed to the settlement. Further efforts are planned to obtain the balance of the \$315,000 judgment from other defendants, plus about \$35,000 interest.

The defendants were fined \$44,000 in 1940 on pleas of nolo contendere to bid-rigging conspiracy charges arising from the same contracts. Last month the Pittsburgh Board of Education, settlement of claims against the contractors for excessive charges on P.W. aided school projects, agreed to an out-of-court cash payment of \$15,000.

● **Flurry of War Suits**—When the Supreme Court last January (BW-July 23'43,p8) reinstated the district court jury's \$315,000 verdict which had been tossed out by the Third Circuit Court of Appeals (BW-Apr.4'42,p32), there was a flurry of informer suits against war contractors. Pending in federal court are 28 suits for a total of \$69,000,000 and all but six were filed within the past few months.

Congressional agitation to repeal and amend the Civil War act has come to naught. The U. S. Dept. of Justice supported one proposal in Congress to limit the amount informers can receive by permitting the court to fix their compensation and limit the award to 10%. Sen. Frederick Van Nuys has offered a bill whereby private informers can ask the Attorney General to bring suit or file their own if the government doesn't act within six months.

AINED

ty for O
was infl
wanky W
by the U
ordered
ed betw
-refunded
t they c
ts due the
to the U.S.

in the c
Square se
136 over
m 50e
S1 to S
t was al
sting for
posting n
rooms, an
ther suite
rooms, ap
which an
nests, non
suit.
ecree, the
ed to reg
st March
mply with

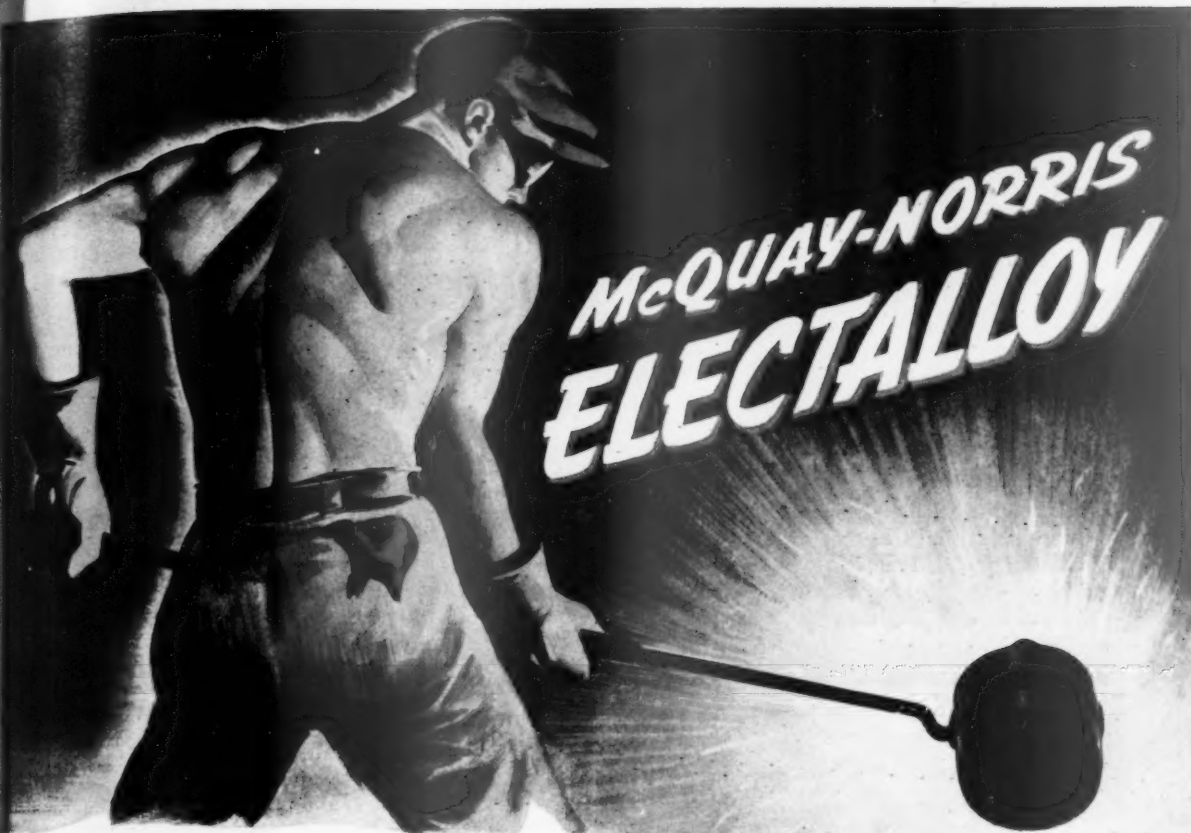
f Pittsb
Further
ain the
gment f
out \$35

d \$44,000
ndere to
rges and
ast mon
ducation,
st the c
s on PW
d to an o
5,000.

en the \$
(BW-J
strict co
h had be
rcuit Co
32), the
against
eral cou
9,000,00
in the p

repeal
s come
justice su
ess to lim
receive b
their cou
to 10%
offered
s can as
suit or fi
oesn't ac

21, 194



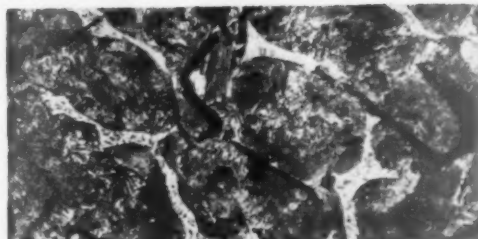
THE METAL WITH A FUTURE

It's exclusively McQuay-Norris, this development in metallurgy. Electalloy originally was created for sturdier piston rings. In the electric furnace it is possible to alloy the iron exactly, to insure absolute control over the mix at all times. This gives Electalloy greater strength, extra springiness, maximum resistance to wear and to engine operating temperatures.

This superior metal, through constant research, has been proved readily adaptable to many precision parts . . . parts that are stronger, more dependable and longer lasting. The McQuay-Norris metallurgical staff is ready to consult with you on the possibilities of Electalloy, the metal with a future, as applied to your particular problem.



*Awarded to two plants—
McQuay-Norris Ordnance Management Division.*



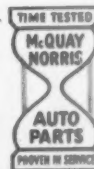
Above photomicrograph of Electalloy at 700 magnification reveals matrix of extreme fine grain sorbitic constituent (high strength), areas of phosphorous eutectic steadite (resistance to wear and elevated temperatures), well dispersed graphite flakes (lubrication and lubrication voids) and complete absence of "free ferrite" (prevents scuffing and scoring under certain frictional conditions).

McQUAY-NORRIS MFG. CO.

ST. LOUIS, MO. • TORONTO, ONT.

PRECISION WORKERS IN IRON, STEEL, ALUMINUM, BRONZE, MAGNESIUM

Business Week • August 21, 1943



When 3 machines
do the work of 18...

THAT'S GETTING ON WITH THE WAR

Wherever Bullard Multi-Au-Matics replace other machines, the savings in time, in floor-space, and in manpower give a tremendous lift to our war production. The savings shown below were made on reduction driving gears at a large airplane engine plant.

	Machines Required	Men Required
Former method	18	11 per shift
Multi-Au-Matic	3	3 " "
Savings men and machines	15	8 " "

THE BULLARD COMPANY
BRIDGEPORT, CONNECTICUT

War Helps HOLC

Many borrowers pay advance on mortgages; yet though future is past, agency asks ten years to wind up.

Last spring there was considerable congressional agitation for swift liquidation of the Home Owners' Loan Corporation. This was mainly on the grounds that it was organized primarily to halt the 1933 mortgage panic, had finished its job by 1936, and was now definitely an unessential government agency.

• **Liquidation Loss Feared**—To ward off any chance of sudden death, the HOLC then submitted figures to the Budget "economy" committee to bolster its contention that a hurried liquidation would cost the nation plenty. It estimated, for example, that forced liquidation by June 30, 1944, would entail a net loss of around \$440,000,000. On the other hand, if liquidation was postponed to 1948, the loss could be cut to only \$108,000,000, and a continuance of operations to 1952, according to the agency's figures, would actually permit a final windup with a \$500,000 net profit.

Whether due to these figures or not, Congress relented. However, the latter did specify that a comprehensive final liquidation plan for HOLC would have to be submitted next February, and this is now reported under active preparation.

• **195,000 Defaulted**—In its three years of active lending operations, HOLC took over 1,018,000 defaulted mortgages. These totaled \$3,093,000,000, but subsequent advances to borrowers for taxes, repairs, etc., as well as HOLC costs for foreclosures, had sent this total investment up to \$3,484,000,000 by May 31, 1943. Also, up to then, it had been necessary for the agency to take over 195,000 houses due to mortgage defaults.

In its ten-year life, HOLC has managed to sell 169,000 or some 84% of its house holdings and some 234,000 of its loans have been paid off. As a result, by May 31, 1943, it had reduced its original investment 52.3% or down to \$1,663,000,000. To cover this, the agency could then report loans and sales contracts totaling \$1,461,000,000 and 27,000 unsold houses carried on the books at \$199,000,000.

• **Borrowers Pay Off**—As HOLC had expected, war prosperity has been of great aid to its debtors. Over a third of its total paid-off loans were settled in the May, 1943, fiscal year, and all payments on principal then reached the new yearly high mark of \$272,000,000. Also, in response to a drive to hasten liquidation of its mortgages, 110,000

They're Vital to the Aircraft Industry

THEY'RE KNOWN AS
NORTON MOUNTED
WHEELS *and* POINTS

BURRING is an important finishing operation on thousands of aircraft parts—both in the airframe plants and the motor plants. And many of these burring operations are being done with Norton Mounted Points and Mounted Wheels.

They are available in nearly 200 standard sizes and shapes. Made of Alundum or Crystolon abrasive, with vitrified, resinoid or rubber bond, they are securely cemented on rust-resistant steel spindles. Complete catalog on request.

NORTON COMPANY

Worcester 6, Mass.

Behr-Manning, Troy, N. Y., is a Norton Division

NORTON ABRASIVES

of its present 745,000 borrowers are now making payments above contractual amounts.

Apt to prove burdensome for some time, however, are the properties still held. All but 2,288 are located in the Northeast, mostly in areas where defense work is meager. The average age of all HOLC bailed out properties, moreover, is around twelve years so, doubtless, many of its houses will not be so easy to dispose of now. Nevertheless, a liquidation drive is under way in earnest, and in June, before this really started, 1,840 houses were sold, over double those disposed of in April.

• **Terms Are Easy**—Helping property sales are easy terms; down payments run as low as 10%, with the balance spread over 15 years. Whether this increases the risk of a second return of

the properties to the agency is problematical, especially since many present debtors still "require considerable servicing to keep them current in their accounts."

The possible sum it may get for its remaining properties cannot be figured, but proceeds from the sale of the 169,000 sold up to May 31, 1943, did fail to cover book values by \$254,000,000. However, the agency can point to a net profit after all expenses of \$189,000,000 in its ten years as an offset. This would leave a loss of but \$65,000,000, or a sum less than 2% of all loans and advances.

• **Employment Pared**—So far as overhead is concerned, HOLC seems to be doing pretty well. Personnel now numbers but 3,500 vs. 5,200 last fall (BW—Oct. 3 '42, p. 54), and 21,000 at the peak.

Patents Pending

Relatively few licenses asked under enemy patents by Alien Property Custodian APC can't understand why.

U. S. industry has applied for licensing under 8,559 alien patents of 42,000 seized since the outbreak of war. Largest single application is by one firm covering 3,700 patents in electronics, but a third of the applications come from companies capitalized at more than a million dollars. The licenses are royalty-free. Fees for licenses were last month to \$15 a patent, and now war plants are now offered government technical assistance if they get a license from the Alien Property Custodian. The Smaller War Plants Corp. also will assist in financing when required.

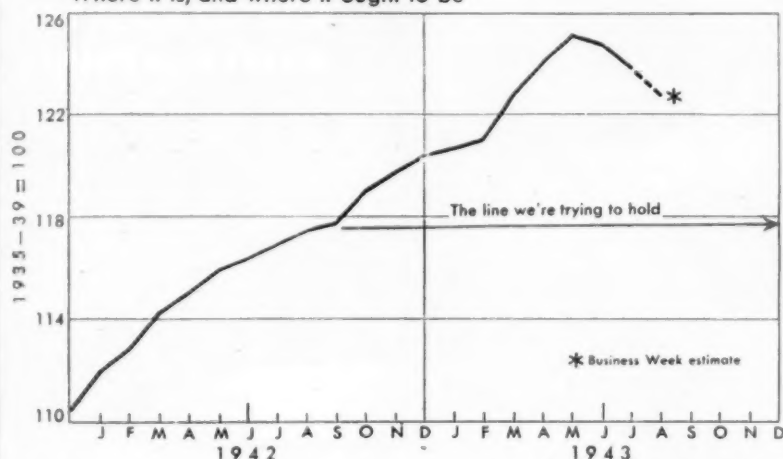
• **Delay Puzzles APC**—The lag in issuing enemy patents is attributed to industry's concentration on fast war production, uncertainty in getting critical materials, manpower problems, and lack of information about patents available. The APC is puzzled, nevertheless, that foreign-controlled inventions have not been absorbed more quickly by domestic manufacturers. An index of more than 300 classes of patents can be obtained by writing the APC's Chicago office (Field Bldg., 135 S. LaSalle St.); a two-volume catalog describing the 42,000 patents seized can be bought at the same place for \$5; and parts of the catalog can be purchased separately there for 10¢ to 25¢ each. Complete copies of vested patents and patent applications fill 240 fat volumes which are open to the public in the APC offices in New York City (120 Broadway), Washington (Sixth Floor, National Press Bldg.) and Chicago.

Biggest contributions to the U. S. war effort from seized patents are in the fields of electronics, chemistry (chiefly plastics and pharmaceuticals), and electrical equipment such as transformers, relays, and circuit breakers. None of the licenses granted by APC is exclusive, so all companies may still acquire any of the methods found useful in their work. Licenses cover the life of the patent, most of which have about eight years left to run, and the Attorney General's office has assured the APC it will assist business men in fighting infringement suits by former enemy owners if any arise after the war. Congress has shown no intention of handing back the seized patents to enemy aliens after the war, although some such generosity was achieved in 1921 by the Calder-Nolan Act.

• **Red Tape Eliminated**—Alien Property Custodian Leo T. Crowley has granted licenses to 134 companies to use 470

THE COST OF LIVING—

Where it is, and where it ought to be



In July, for the second consecutive month, the cost of living declined, according to the Bureau of Labor Statistics. Among the reasons for the drop are OPA rollbacks and

seasonal dips in fresh vegetable prices. Below is Business Week's monthly tabulation showing how the individual components of the index have moved.

	Food	Clothing	Rent	Fuel, Ice, & Electricity	House Furnishings	Misc.	Total Cost of Living
August, 1939.....	93.5	100.3	104.3	97.5	100.6	100.4	98.6
January, 1941*.....	97.8	100.7	105.0	100.8	100.1	101.9	100.8
July.....	106.7	104.8	106.1	102.3	107.4	103.7	105.3
July, 1942.....	124.6	125.3	108.0	106.3	122.8	111.1	117.0
August.....	126.1	125.2	108.0	106.2	123.0	111.1	117.0
September.....	126.6	125.8	108.0	106.2	123.6	111.4	117.8
October.....	129.6	125.9	108.0	106.2	123.7	111.8	119.0
November.....	131.1	125.9	108.0	106.2	123.9	112.7	119.8
December.....	132.7	125.9	108.0	106.3	124.1	112.8	120.4
January, 1943.....	133.0	125.9	108.0	107.3	123.7	113.1	120.6
February.....	133.6	126.2	108.0	107.2	124.1	113.6	121.0
March.....	137.4	127.6	108.0	107.4	124.5	114.5	122.8
April.....	140.6	127.9	108.0	107.5	124.8	114.9	124.1
May.....	143.0	127.9	108.0	107.6	125.1	115.3	125.1
June.....	141.9	127.9	108.0	107.7	125.4	115.7	124.8
July.....	139.0	128.6	†...	107.7	125.4	115.9	123.8

Data: U. S. Bureau of Labor Statistics; 1935—39=100.

* Base month of NWLB's "Little Steel" formula.

† Rent figures released quarterly.



Growth Through Service

IN 1909 the capital of The Youngstown Sheet and Tube Company was increased from \$6,000,000 to \$10,000,000. The financial statement, read at the meeting of the Shareholders at which this action was taken, showed assets of \$12,000,000. This represented an amount twenty times the original capitalization of \$600,000 as of November, 1900.

\$3,000,000 of this new stock was distributed to Shareholders in the form of a stock dividend. \$1,000,000 was appropriated for additional expansion. In 1909-1910 there were added to the operation facilities, the third blast furnace, additional tube mills, sheet mills, and wire fabricating facilities. The ore and fuel reserves were augmented and strengthened.

The steady growth of this company had, by this time, attracted national attention. The material evolution of the plans of the men who guided the destiny of this company was the result of that type of genius which springs from hard work directed efficiently and persistently. These qualifications plus the incentive to be of greater service, and the operation of the principle of free enterprise stimulated the steady, healthy and progressive development of this great organization. These principles are as American as the Bill of Rights.

The YOUNGSTOWN
SHEET AND TUBE COMPANY, Youngstown, Ohio
Manufacturers of
CARBON · ALLOY AND YOLOY STEELS

Pipe and Tubular Products · Sheets · Plates · Conduit · Bars · Tin Plate
Rods · Wire · Nails · Tie Plates and Spokes · Alloy and YOLOY Steels



Such a moment demands alert eyes, steel nerves—and a plan of swift action. That's true, too, on production lines, where Hardware Mutuals *policy back of the policy* provides vital protection against industrial accidents.

The *policy back of the policy* is a way of doing business that makes your interests our first consideration. Applied to Workmen's Compensation insurance it means a thoroughgoing plan of accident prevention, engineered to cover every individual plant hazard. It means a service constantly alert in creating safe working conditions that help reduce your operating costs and increase production. It means speedy, sympathetic claim settlements.

FREE SAFETY BOOK

A wealth of compact, valuable information is contained in a 24-page illustrated book, "Industrial Safety Procedure"—offered free on request. It provides, in the

briefest possible form, a dependable, practical guide to the latest methods of correcting plant hazards, improving sanitation, and organizing employees for safety. Included is a comprehensive index of works recommended for further study of specific subjects, making it an invaluable source of reference.

Send for your free copy today. And while preparing for your future needs for Workmen's Compensation insurance, be sure to investigate the opportunities for improved service and savings inherent in Hardware Mutuals *policy back of the policy*.



FEDERATED HARDWARE MUTUALS
Hardware Dealers Mutual Fire Insurance Company, Home Office, Stevens Point, Wisconsin
Mutual Implement and Hardware Insurance Company, Home Office, Owatonna, Minnesota
HARDWARE MUTUAL CASUALTY COMPANY
Home Office, Stevens Point, Wisconsin

LICENSED IN EVERY STATE

Hardware Mutuals

Stevens Point, Wis. • Owatonna, Minn. • Offices Coast to Coast



Compensation, Automobile and other lines of
CASUALTY AND FIRE INSURANCE

patents. Compared to the 5,559 licenses applied for, this is small potatoes. Delays will be less in the future because the research and bookkeeping necessities under the licensing policy in force before July are now eliminated. The previous system licensed patents for \$5 for the first one and \$5 for each additional related patent. It took weeks sometimes to determine if patents were related.

Some of the licenses already issued cover an optical form grinder that allows many lenses to be ground simultaneously (on the pantograph principle), heat-resisting alloys, high-tensile rayon, camera equipment, die presses, machines for printing patterns on textiles, methods of isolating alcohols and phenols from mixtures, carburetors, power transmission, surgical instruments, and electrical current amplifiers.

• **Marine Propeller**—The Navy is interested in the Voith-Schneider ship propeller which works vertically on the principle of the variable-pitch propeller used on airplanes. An Austrian invention, it is in use on some German and Japanese ships and is especially useful on barges and river boats where shallow water or narrow lanes make maneuvering difficult. Ships with this propeller can turn on a spot, turn at full speed, or come up to a dock sidewise. Because the engine operates at one speed only, a simple electrical system is sufficient. It also does away with rudders, for it steers, propels, and reverses a vessel.

None of the vested patents will be sold by the government as was done during the World War when, for example, the Chemical Foundation acquired outright many valuable dye patents. Some patents sold during the World War later came under German control again, and the present system of nonexclusive licensing is aimed to prevent this.

• **Licensed Differently**—Patents protectively seized that belong to citizens of enemy-occupied countries like Norway and France number half as many as from alien enemies. Such patents are, of course, licensed differently and for the duration plus six months instead of for the life of the patent. If a Norwegian patent is already licensed non-exclusively, the APC will grant similar terms to other firms. If an exclusive license is already held by an American firm, no licenses will be allowed, except under special circumstances.

General Electric has assigned to APC 37 patents covering cemented or sintered hard carbides, used in the making of machine tools. These are now available for use on a nonexclusive, royalty-free basis. G.E. originally acquired these patents from Friedr. Krupp Aktiengesellschaft of Germany. In addition to these 37, the custodian controls 16 other patents on the same products.

8,559
all potato
ure beca
g necess
n force b
The pro
ts for \$5
each add
ook wea
tents we

ady issn
er that a
mid sim
principle
sile rayo
, machin
les, meth
phenola
wer trans
and elec

y is inter
ship pro
y on the
propeller
an inven
rman and
lly useful
e shallow
maneuver
beller can
speed, or
Because
d only, a
cient. It
it steers,

will be
as done
for ex
tion ac
dye pat
ating the
German
stem of
to pre

protec
izens of
Norway
many as
nts are,
and for
instead
a Nor
ed non-
similar
clusive
merican
except

ed to
ated or
e mak
e now
clusive.
lly ac
Krupp
In ad
n con-
sume

Move it...
anywhere you wish!



IT'S PORTABLE! That means the Cardineer can be used anywhere, as need arises.

It's speedy—steps up record-keeping output as much as two and three times. Saves manpower — releasing workers for other jobs. Conserves space where war expansion has put a premium on every available inch. Equally important — Cardineer can be shipped *immediately*. It meets today's demands of hundreds of companies seeking shortcuts to speedier results. Each Cardineer unit carries 6,000 cards for easy reference or posting. **ORDER NOW.**

DIEBOLD, INCORPORATED • CANTON, OHIO
Formerly Diebold Safe & Lock Co. • Branch Offices In Principal Cities
PRODUCERS OF METHODS EQUIPMENT AND OFFICE ACCESSORIES



Cardineer can be rolled alongside the desk for quick and easy reference on items requiring immediate attention.

ASK FOR YOURS

Studies in time-money saving are available as follows: check and pin on your letterhead: Inventories ☐, Costs ☐, Payroll & Personnel ☐, Plant & Equipment ☐, Purchases ☐, Production ☐.



DIEBOLD

Cardineer

ROTARY FILE



if YOU LIVED IN PORTLAND ...YOU'D READ THE JOURNAL

if you want penetration of the potent Portland Trading Zone, use The Journal. In this area dwell 33% more people than in all the rest of Oregon; a market of 717,588 individuals, where industrial payrolls alone exceed 48 million dollars.

Here the daily Journal reaches 22% more families (21,993) than any other daily newspaper.

That The Journal continues to keep pace with this growing market is evidenced by the fact that The Journal's total daily net paid circulation for the 6 months ending March 31, 1943 was 151,888 while the three months average topped 156,000 . . . and 80% of the daily Journal's circulation, 119,676, is concentrated in the Portland Trading Zone.

Portland's Only Afternoon

On the Pacific Coast the world series is frequently over before it starts. Because, when it's 5:00 p.m. on the East Coast it's 2 o'clock in the West . . . and afternoon newspapers deliver the complete story of the game to readers' homes by 5 o'clock the same day.

The Journal makes the most of this natural time advantage. For when The Journal goes to press in midafternoon, it's midnight or later in Europe and much of the rest of the world. Thus, The Journal brings its readers world news, national news, local news—while it is news—the same day it happens!

Because The Journal is first with the news, it has today the largest circulation in its history. And today, as it has been for years, The Journal is the preferred newspaper in the Portland Area.



The JOURNAL
PORTLAND, OREGON

Represented by REYNOLDS-FITZGERALD, New York, Chicago, Philadelphia, Detroit, Los Angeles, San Francisco

Barges Dropped

Improved oil transportation trims concrete barge program from 65 to 33; emphasis is shifting to tankers.

The Maritime Commission has seen the improved situation in oil transportation to jettison its concrete barge program after two years of experiments that cost a few unstated millions and that were started under pressure when dollars were less vital than the need for making anything that would carry petroleum.

• **More Tankers Instead**—Additional steel ship plate along with propulsion machinery has made the construction of more tankers possible instead. The commission also has decided to cancel 102 Liberty ships into tankers, a move that adds only about 15 days to an average of 56 days for their construction.

The concrete barge program has been cut from 65 to 33. MacEvoy Shipbuilding Corp. of Savannah will make 7 instead of 23, McCloskey & Co. of Houston will complete 4 instead of 20, and Concrete Ship Constructors of National City, Calif., will finish its schedule of 2 as planned.

• **Mobile Warehouses**—No figures are available on how much money was saved in the program for concrete barges, but the commission doesn't feel that it was a total loss. The barges, which look like cargo ships without machinery, have proved useful as mobile warehouses, foreign battle stations, and their construction taught military engineers some new techniques that are highly adaptable when used in other work which still a military secret.

LIQUOR DELIVERY UPHeld

The right of transportation companies to carry liquor in interstate commerce through dry states and into federal reservations for delivery under legal conditions was upheld in a two-to-one decision by the Tenth U. S. Circuit Court of Appeals in Denver recently. The court ordered restored to the Yellow Cab Transportation Co. 225 cases of liquor consigned from East St. Louis, Ill., to the officers' club at Fort Sill, Okla., and seized for destruction by Oklahoma authorities.

Majority members of the court, Judges Sam G. Bratton and Orin L. Phillips, held that the Oklahoma law declaring it unlawful to receive liquor from a common carrier is unconstitutional. Judge Alfred Murrah, dissenting, argued that the shipment was illegal not only under the law but also under federal laws covering military reservations. An appeal to the Supreme Court is expected.

ped
 portatio
 program
 is shi
 n has sen
 oil transp
 e barge
 iments
 and the
 when doll
 for mak
 etroleum.
 -Additi
 propulsi
 construct
 stead. Th
 to come
 kers, a
 to an a
 ruction.
 m has be
 Shipbuil
 make 7
 Co. of Ha
 of 20, a
 of Nation
 edule of
 figures
 y was su
 barges, b
 that it
 look
 mery, h
 rehous
 their c
 ncers so
 ghly ad
 k which
 HELD
 compan
 commen
 federal
 legal con
 o-one de
 it Court
 'The cor
 ellow Ca
 s of liqu
 is, Ill.
 Okla., a
 ahoma
 he cour
 d Oric
 homa
 ive liqu
 unconsti
 h, diss
 was illeg
 also unde
 ry reserv
 eme Cou



Engraved by H. Farnell.

THIS man had a vision. He saw a world in which men would fly through space, and voices could be heard thousands of miles away. A world in which buildings would be many houses high, lighted without lamps, and ascended without recourse to stairs. A world in which machines would do most of the work. . . . And he saw all this made possible as a result of water being heated in a closed container. Standing at the threshold of the age of steam, he had a vision of the future.

Now this man lived in a sane and sensible world, so they beat him with brooms and pelted him with pots, and his final reward for this demented woolgathering was one of the less sanitary cells in Bedlam.

We haven't yet reached the millennium, of course. But we've learned the value of vision. We've learned that it is a divine sort of madness, to be searched for rather than hunted, to be used rather than destroyed.

Today, we're on the threshold of a new age of power — the new Age of Air Transportation — and a handful of visionary men are already telling us what they see in the future beyond this war.

A vision? Yes, but no pipe dream, for the day of world air transport is already in the planning stage.

We in the field of machine tool engineering have had a hand in bringing about the vision of this new age. We helped to make possible the "impossible" mass production of aircraft and engines through an entirely new assembly line technique, known as "fluid production." And today, we're already at work on production plans for the future.

There is no tool that we cannot build, no job that we cannot do, given the necessity. . . . War was a necessity. So, too, will be peace. . . . We invite you to call upon us now, as the leaders of American industry have been doing for more than a century.



JONES & LAMSON MACHINE CO., SPRINGFIELD, VERMONT, U.S.A.
Profit-producing Machine Tools

Universal Turret Lathes . Fay Automatic Lathes . Automatic Thread Grinders . Optical Comparators . Automatic Opening Threading Dies

Blacklisting Task Grows

Liberated territories pose new and different problems in control of Axis nationals' funds and those of collaborationists; flight of \$750,000 from North Africa exemplifies leakage.

Clipping the world-encircling tentacles of Axis-controlled firms is not a one-nation job. British and American efforts to maneuver other nations into a united front against Axis intrigue has been a delicate, time-consuming, and thankless job.

• **Trouble in the Offing**—In the U. S., foreign fund and alien property controls are nearly 100% effective. In Latin America, by persuasion and cooperation, similar controls are becoming increasingly effective. In North Africa, no such controls exist, and foresighted Washington specialists view uneasily the prospect of freeing additional areas from Axis domination before adequate preparation is made to hog-tie pro-Axis and collaborationist individuals in the liberated areas.

Great Britain was first to issue a list of foreign firms linked with the Axis with whom trade would not be permitted. Soon after, and before entering the war, the United States (1) froze U. S. funds of Axis nations and of occupied countries, and (2) issued the Proclaimed List of Certain Blocked Nationals (BW—Aug. 9'41, p14).

• **List Gets Bigger**—Before Pearl Harbor, the proclaimed list was directed toward cutting Axis-linked firms in the Western Hemisphere from sources of raw materials, finished goods, and funds in the United States. With American entry into the war, the list was extended to include firms, banks, and individuals in such countries as Portugal, Spain, Sweden, Switzerland, Turkey, and all of their outlying possessions.

The immediate effect in Latin America was confusion, anger, and scurrying for cover on the part of blacklisted firms, and disruption of some industries important to the local economies. For Americans, the proclaimed list dammed profitable trade outlets and eliminated agents and distributors throughout Latin America.

• **Connections Severed**—The blow was eased somewhat in the U. S. because, between February and August, 1941, the Dept. of Commerce had confidentially presented 4,050 cases of undesirable Latin-American contacts to American business men and had successfully cut more than 1,000 undesirable connections. To fill the gap, the Bureau of Foreign & Domestic Commerce searched

its files of 1,000,000 foreign firm names to find agents and contacts for U. S. traders.

In Latin America, leading enterprises were cut off from banking contacts and funds, forced to operate on inventories, and in some cases closed by local governments.

In most instances, however, the governments were sufficiently inexperienced in the field of foreign property and fund control to share in the bewilderment, and hasty requests for explanations and aid were presented to the United States.

• **Experts Shown the Ropes**—To end this confusion and to lend a good-neighborly hand in the solution of control problems—without invading sovereign spheres—the Inter-American Conference on Systems of Economic & Financial Control was convoked in Washington in June, 1942. Latin-American financial experts and representatives from central banks attended. Hemisphere nations were shown how the United States had been controlling Axis funds and contacts for more than

a year. The Treasury Dept. prepared a 50-page, 30,000-word document, "Administration of the Wartime Financial and Property Controls of the U. S. Government," translated it into Spanish for the delegates, and conducted a ten-day session on the subject.

After the conference, Latin-American delegates hurried home armed with a jointly approved set of principles to govern their own job of alien property and fund control.

• **Special Consultants**—The U. S. did not end here. Almost immediately the Treasury Dept. trained a group of financial experts in the theory of economic controls and, within a few weeks sent them to U. S. embassies in Latin America as consultants on special local control problems.

Within the framework of the principles determined in Washington, each of the Latin-American countries is doing its share to prevent Axis manipulation. In some nations, like Bolivia, the effort is small and the initiative of the government practically nil. In Argentina, still outside the war, the government declines to take actions that are strictly neutral, and U. S. and British blacklisting is a bothersome detail at best.

• **Seized Assets Sold**—In Brazil, the government promptly nationalized the German Condor airlines, liquidated the Italian Lati Company (BW—Dec. 27'41, p32), and intervened in the management of important enemy-owned firms. These firms are now being auctioned to local interests, and a percentage—as high as 30%—is being withheld from the price of sale for reimbursement of damages.



MINES ARE OURS

Captured by Allied armies at Roccapalunba, Sicily, a huge dump of German land mines testifies to the Nazi haste in evacuating and leaving Italian

"comrades" to their fates. Mines normally are hidden in the path of advancing forces to delay and demoralize troops. But when enemy lines crack suddenly, fleeing Germans had to leave behind mines and other booty

st. prepar
ument. t
me Finan
f the U
it into S
conduct
ject.
tin-Amer
rmed wit
ciples to
property
e U. S.
immedi
a group
eory of
a few
ics in L
special
of the p
ington, c
ries is d
manipula
via, the
of the g
Argentin
governme
at are n
and Brit
e detail
zil, the g
alized
uidated
-Dec.27
ne manag
wned firm
uctioned
age—as h
from the
ent of da



HERE'S HOW TO MULTIPLY YOUR MANPOWER

Put your employees on your major work and step up your production by using LYON'S manpower on sheet metal. Here's what you and the total war effort will gain: ● Approximately 2,000 experienced factory workers specially trained in sheet metal fabrication.

● Complete facilities for all sheet metal jobs, including perforating, blanking, forming, assembling, drawing, enameling, annealing and lacquering; conversion experience.

● Complete toolrooms in all

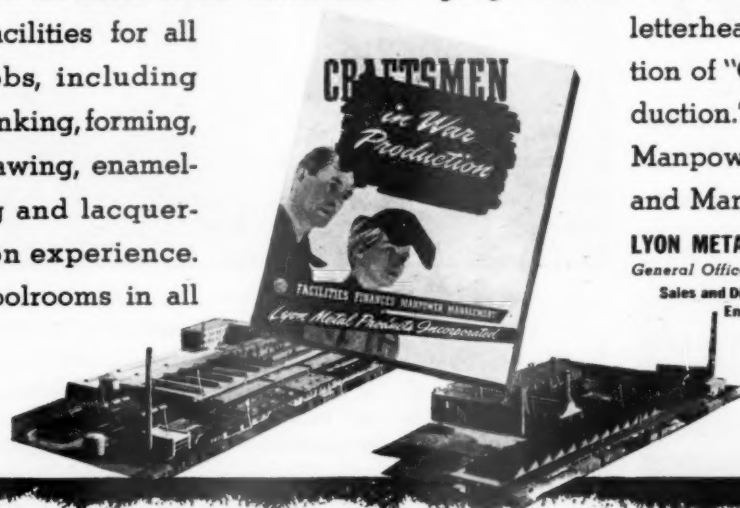
plants. ● One-half million square feet of manufacturing floor space. ● Experience since 1940 on parts and assemblies for ships, aircraft, guns, mobile units and tanks. ● 43 years' experience in fabricating metal in gauges No. 8 to No. 30. ● Write on your

letterhead for new FREE edition of "Craftsmen in War Production." Tells about LYON'S Manpower, Facilities, Finances and Management.

LYON METAL PRODUCTS, INCORPORATED

General Offices: 1008 Madison Ave., Aurora, Ill.

Sales and District Offices Manned by Experienced Engineers in All Principal Cities



lines not
th of ad
memorial
s crack
had to
er boot

21, 194

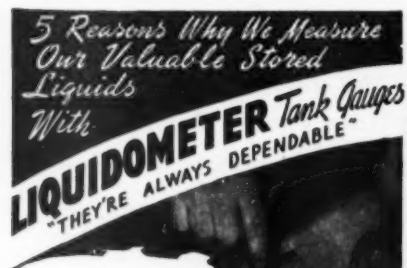
LYON METAL PRODUCTS, INCORPORATED

**BUSINESS NEED NOT
"FLY BLIND"**

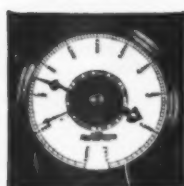


Doubt about
the accuracy
of Fixed As-
sets Records
is cleared
through our
Service.

**The AMERICAN
APPRAISAL Company**
CONSULTANTS IN PROPERTY ECONOMICS



- 1 100% automatic.
- 2 No pumps, valves, or auxiliary units needed to read them.
- 3 Models available so that readings can be taken remotely from or directly at the tank.
- 4 Accuracy unaffected by specific gravity of tank liquid.



5 Approved for gauging hazardous liquids by Underwriters' Laboratories and similar groups.

Write for complete details

THE **LIQUIDOMETER** CORP
38-12 SKILLMAN AVE., LONG ISLAND CITY, N. Y.

ages to Brazilian shipping by enemy action.

In Mexico, where enemy properties are estimated at \$20,000,000, control officials have encountered pitfalls.

About 60 German-owned coffee plantations have been turned over to the National Bank pending sale of the properties, and the bank receives about 8% of the income (BW—Feb. 13 '43, p. 48).

In accordance with the principles arrived at in Washington, seized properties can only be transferred "to nationals of the respective country or to juridical persons formed by them." Thus, for instance, American business interests are theoretically barred from participation in the purchase of Axis-owned properties put on the block.

• **Production Worries**—Removal of alien managers and technicians, particularly in the big chemical and pharmaceutical firms, has caused such a shortage of skilled executives and workers that intercorporate collaboration or outright cartelization is apparently in progress. Washington is disturbed by the Mexican situation and is acting to safeguard American interests, Mexican ownership, and continued production of needed drugs and chemicals during the war.

Of even greater concern to foreign funds control experts, however, are the areas where no controls exist or where foreign governments cannot (as in neutral countries) or will not (as in North Africa) openly assist in the control job.

• **Argument over Methods**—In French North Africa, despite U. S. vigilance,

\$750,000 in gold was sent to Portugal to be used by Germany (BW—Aug. '43, p. 5). Other instances of trading with the enemy have occurred since the Allies invaded. Washington contends that the proclaimed list should be extended to North Africa. Britain insists that the rights of a sovereign state cannot be infringed despite her own celerity in blacklisting Latin-American firms after the outbreak of war.

The appointment of a Commission of Purification by the French committee to arrest and try Vichyites in North Africa may mean that collaborators and pro-Axis business men and bankers who are committing acts inimical to the French and United Nations cause will be rounded up. In the meantime, an unofficial blacklist is reported to be in use in order to reduce the danger of a leakage of material and financial aid to Germany through the occupied area.

• **Want a Basic Pattern**—Foreign funds control experts view the problem in even wider perspective. Proud of their successful operations in Latin America and condemning a policy that has already proved costly in North Africa, they insist that it is time to lay the groundwork for controls which must be effective in Italy, France, or the Balkans if war criminals and international speculators are to be identified and prevented from hindering United Nations economic activities in the period of occupation which must follow invasion of the continent.



WALES' MACHINE AGE

Traditionally a coal mining and agricultural principality, Wales is now coming of industrial age because of the war. In coastal cities particularly, new war plants are boosting Britain's total effort and absorbing slack employment dating back to the depres-

sion that shut down Welsh mines, many of which remain closed. Typical is a Cardiff boot and shoe factory which employs many women and American machines (above). A departmental manager, William Finch (left), lived 20 years in Brooklyn before returning to his homeland to teach latest U. S. production methods.

to Port
W—Aug
trading
since
n conte
ould be
itan ins
n state
own cele
ican fir
Commiss
committ
in Nor
laboratio
and bank
nminical
tions cau
meantime
reported
e the da
and fina
the occ
eign fund
em in eve
their su
merica an
as already
a, they in
the ground
ust be e
e Balkan
onal spec
prevention
tions era
l of occ
vasion in



HE'S CALLED "MIRACLE MAN"

SMOKE from stacks in a score of great plants etch his name against the industrial sky. He's a production wizard who refuses to tolerate the word "impossible." But he'll admit proudly that his achievements are the result of organizing and coordinating the talents of others.

In one of his plants, for instance, the chances are you would find parts, assemblies and machines of precision workmanship by Joyce, writing new records in speed and precision. For

another plant, Joyce may be producing and assembling vital and integral parts of these weapons of war—parts where hairline precision can mean the difference between success or failure.

Joyce designing and engineering skill is helping to achieve production miracles in many great industrial plants from coast to coast. And Joyce's own large-scale production facilities are maintaining a steady stream of war material for our fighting forces—covering a wide and constantly varying

range of machined and fabricated parts and products.

If you face production problems in your business—either for war work or post-war production—the Joyce "know how" is at your service. A Joyce representative will be glad to call and explain in detail the unique advantages we offer.

JOYCE

Machine Company

FRANKFORD • PHILADELPHIA

MANUFACTURERS OF PRECISION PARTS
FOR ALL KEY INDUSTRIES

BEHIND THE MAN ▶ BEHIND THE MAN ▶ BEHIND THE GUN



AT FOOD MACHINERY CORP.
SKILSAW TOOLS
RUSH AMPHIBIAN
TANKS TO ACTION!

• Alligator Tanks they call 'em . . . and they're wanted *quick* for rough, tough action on America's fighting fronts. That's why Food Machinery Corp. depends on SKILSAW TOOLS to speed production. Like the tanks they're building, SKILSAW TOOLS are *fast, rugged, dependable* . . . they're action-tested, front-line fighters in the Battle of Production!

Whatever you're building today, you can increase output with fast-working SKILSAW TOOLS. They're preferred in every field of industry because they're lighter, more compact, more powerful. They're designed to do more jobs . . . engineered to stand up longer under tough 3-shift operation. Ask your distributor to demonstrate SKILSAW TOOLS on your work *now*. You'll see how greatly these better tools will boost *your* production.

SKILSAW, INC., CHICAGO
Sold by leading distributors of hardware and industrial supplies



SKILSAW
9 Models



DRILLS
23 Models



DISC SANDERS
6 Models



BELT SANDERS
4 Models



PORTABLE AND BENCH GRINDERS



BLOWERS



FLOOR SANDERS

CANADA

Pulp Gets Tighter

Problem of supplying U. S. needs for newsprint and paper-board highlights the manpower shortage in the woods.

OTTAWA — Because Canada was playing host this time to a meeting of British and American high commands (page 15), the Quebec conferences naturally got an even bigger play in the Canadian press than any of the preceding five meetings between Roosevelt and Churchill. But not even such big-time news could crowd from the papers the evidence of a growing concern about a practical business problem: what to do about dwindling newsprint supplies, Canada's No. 1 export.

• **Gravity Appreciated**—The presence in Canada of the U. S. congressional committee, under Rep. Lyle H. Boren, investigating newsprint and the report on the situation made to the Dominion government by Canada's pulp and paper industry served to highlight the increasing gravity of the problem.

Canadian production of pulpwood—principally for newsprint—has been estimated at 7,810,000 cords for 1943. Even if this total is realized, a circumstance which seems increasingly unlikely, the shortage will run somewhere between 1,250,000 and 1,750,000 cords.

• **Where the Pulp Goes**—Whatever cuts must be made to bring demand into balance with the reduced supply will be suffered principally by the United States which consumes better than 70% of the Canadian supply—38% for newsprint (mostly for newspapers because American mills supply magazine requirements) and 32% for miscellaneous board, wrapping paper, roofing material, and other products, including even explosives and synthetics.

In comparison, the Dominion takes only about 16% of the processed pulpwood (less than one-fifth of it for newsprint). The United Kingdom, where consumption has been cut to an irreducible 20% of prewar use, takes 13% (two-fifths for newsprint).

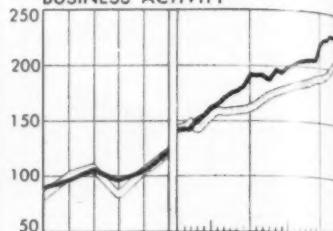
• **Canadians Seek Action**—Considering all the circumstances against the background of an already drastic reduction in pulpwood output in the United States (BW—Aug. 14 '43, p. 19), Rep. Boren gloomily predicted that an over-all reduction of 30% in U. S.-Canadian pulpwood consumption might be inevitable. Dominion pulp and paper producers, thoroughly alarmed lest their customers in the States learn to get along using less paper, with a conse-

TREND OF BUSINESS CANADA AND U.S.A.

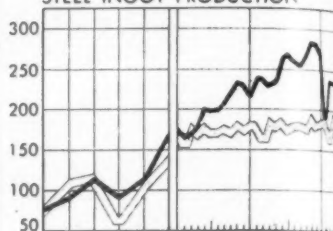
1935-39 = 100

CANADA — U.S.

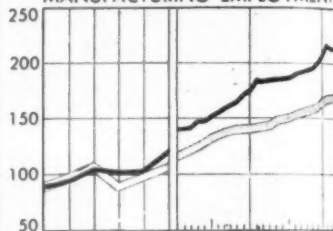
BUSINESS ACTIVITY



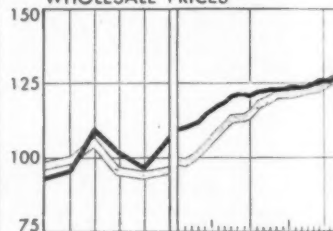
STEEL ININGOT PRODUCTION



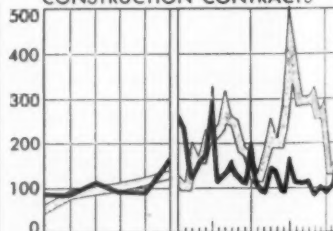
MANUFACTURING EMPLOYMENT



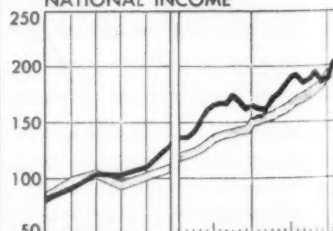
WHOLESALE PRICES



CONSTRUCTION CONTRACTS



NATIONAL INCOME



© BUSINESS WEEK

quent serious effect on postwar markets. are urging that Canada follow the lead of the United States in declaring pulpwood production an essential industry. They argue that 20,000 prisoners of war and rural workers who are not actually farming could be put to work in the forests.

Canada's pulpwood problems spring fundamentally from the American coal strikes of last spring. The Dominion's coal comes largely from the States, and the strikes, plus railroad car shortages, now threaten to cut heavily into next winter's supply.

• **Up to the Farmers?**—To compensate, Canada will have to cut more fuel wood. An order-in-council has specifically assigned that job to the lumbering crews of the pulp companies. The industry feels that the farmers, who have always provided the nation's firewood supply, should be forced to cut the extra requirements and contends that the government has failed to saddle the farmers with extra wood production quotas simply out of a fear of losing rural votes.

Meeting the firewood quotas, which is now a first requirement, is likely to cost the industry 20% of its expected pulpwood output.

• **Quota Established**—Examining the situation, Canadian pulp mills have agreed now to supply the United States with 210,000 tons of newsprint monthly, no more, no less. WPB has gone along with the program by limiting newspapers in the States to a 50-day supply of their print paper, 75 days in some few western states.

Furthermore, another 10% cut in newsprint consumption is expected in the very near future. Checkup of inventories, meanwhile, has revealed that many papers, including some of the big dailies, built inventories beyond the legal limits, partly to beat the \$4-a-ton increase, scheduled to become effective Sept. 1. Total August orders were sheared from 250,000 to 210,000 tons, the hoarders taking the brunt of the cutback.

• **Division of Output**—The pulpwood industry of Canada, a facility worth \$700,000,000 in plant and equipment, has its gravity center in the East. Quebec province produced \$166,000,000 of the nation's \$334,000,000 production last year, or nearly 50%. Ontario's output was valued at \$100,000,000, close to 30%. British Columbia's volume was worth \$30,000,000, the prairie provinces turning in most of the balance.

The mills keep their crews in the forests all the year round. In the winter, they cut wood into 8-ft. logs, and truckers haul the lengths to the nearest river float points.

• **Wait for a Thaw**—Wood is piled on the rivers all winter, and when the ice breaks, the downstream drives begin. Spruce comprises most of the float, jack pine making up the bulk of the rest.

ANACONDA PM PLAN SPEARHEADS VITAL INDUSTRIAL MAINTENANCE PROGRAM

... over 11,000 manuals requested

... over 50 campaigns operating

... All branches of industry
join to safeguard production

The PM Plan is helping thousands of busy executives—where it counts most. Helping them maintain continuous wartime production... helping keep plant electrical systems operating efficiently... despite shortages in essential wiring equipment.

If you aren't already safeguarding production with the aid of this Anaconda Preventive Maintenance Plan, mail the coupon for full details.



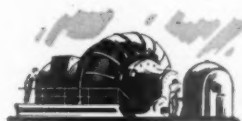
HOW THE PLANT BENEFITS

The PM Plan helps uncover weak spots in electrical systems before trouble develops. Makes all personnel in plant, maintenance and conservation conscious. Provides practical "tools" to forestall—as well as foresee—would-be work stoppages. Helps maintain continuous wartime production.



HOW THE CONTRACTOR BENEFITS

Plan helps electrical contractor carry out his most important wartime job—industrial plant maintenance. Helps him keep business going and organization together during construction lull... helps keep old customers, gain new ones, despite lack of products to sell... puts him in leadership role for furthering the war effort.



HOW THE UTILITY BENEFITS

Utilities can use the plan to help maintain close contact with their industrial power customers, despite lack of something to sell. It gives utility management the basis for a service program that definitely helps their power customers. Offers utility a chance to do even more towards furthering the war effort.

ANACONDA'S PREVENTIVE MAINTENANCE PLAN



AN2330C

Anaconda Wire & Cable Company
25 Broadway, New York City 4
Please send copy of the Anaconda
Preventive Maintenance Plan for safe-
guarding wartime production.

Individual _____
Company _____
Address _____ City _____

88

PRODUCTION

Thank Synthetics

Chemical flavorings and aromatics have averted wartime squeeze on the food and perfume industries.

The expected wartime pinch in flavoring extracts and perfumery has yet to materialize. Mother is still baking cakes, and daughter is sloshing on her favorite scent with prewar generosity.

Farsighted manufacturers, of course, laid in heavy stocks of essential oils and natural flavors in 1938 and 1939. Now these stockpiles are practically exhausted, but shortages aren't expected to be serious, because synthetics can be substituted for many of the natural oils. Indeed, many of them have been for years.

• **Superior Synthetic**—Flavor chemists learned a long time ago that ethyl methyl phenyl glycidate tastes and smells more like strawberry than anything that can be extracted from the fruit; that the perfume from a pure flower oil frequently bears little or no

resemblance to the odor of the original flower.

Synthetic flavorings and aromatics are not a war-born science, but discontinuance and curtailment of shipments from Madagascar, Italy, France, Ceylon, Java, and other remote and war-torn localities have speeded up the use of synthetics. And war has brought other innovations.

• **Death of a "Highball"**—For example, Monsanto Chemical Co., to save alcohol, has turned out the equal of a teaspoonful of liquid vanilla in a tiny five-grain tablet containing either vanillin or ethyl vanillin and coumarin. The tablets are regulation for Army use overseas to save shipping space. They are also counted on to curb the supply of the vanilla highball, drunk straight out of the extract bottle by alcohol-thirsty soldiers.

Postwar possibilities of the new tablets arouse interest in the flavoring extract trade which has long had to contend with the Internal Revenue tax of \$6 a gallon on nonbeverage alcohol. Scientists found other solvents, notably propylene glycol, for vanilla and certain fruit extracts; but consumer preference has always been for flavors carried in alcohol.

Producers attribute this to the fact the alcohol is a low boiler, but if the new tablets pan out they will suggest to the housewife that the same evaporator that wafts a delicious odor through the kitchen when she uncorks the flavoring bottle carries it out of her cake.

• **No Taste Sensation**—Few standard flavorings—natural or synthetic—in the adulterated state are pleasant. The flavor chemist's job is to make a palatable blend for marketing. Reason synthetics got a bad name a few years ago is that manufacturers, many of whom do not employ flavor chemists, marketed products before a palatable synthesis was achieved. Most objectionable odor is diacetyl—the recently isolated flavor element in butter. Producers prepared it first for commercial bakers, and for manufacturers, who use a whisper of it in margarine; but the butter shortage has made consumer sales of a diacetyl blend an important part of the business.

Meat-starved consumers are stimulating business in glutamates, particularly monosodium glutamate, to remind them of the good old days, in soups, gravies, and casserole dishes. The glutamates, which have been used extensively in China and Japan, have various derivations, notably zein from corn.

• **Natural Orange**—Booms in artificial coffee and cocoa flavors have been held back for the lack of satisfactory synthetics. Two substitutes hit the market

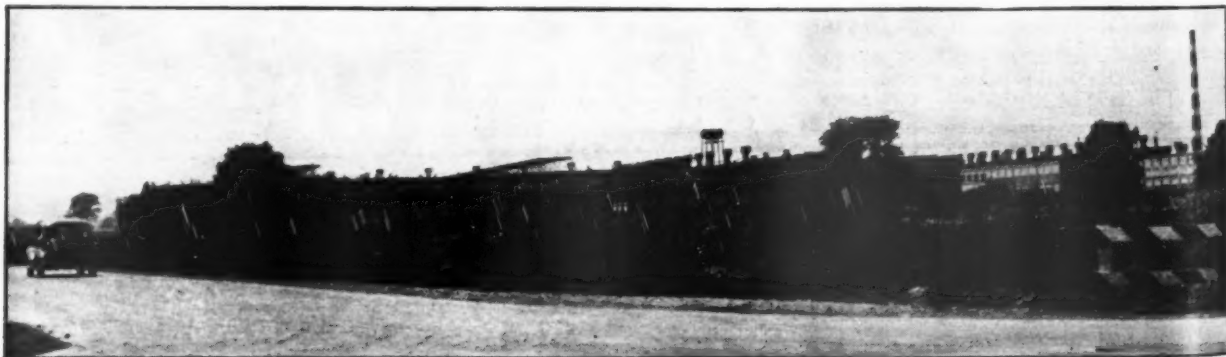


BEFORE AND AFTER

Evidence of what rapid construction means nowadays is provided by the newest unit in Defense Plant Corp.'s

mushrooming empire of light metal producers. Last Sept. 9, Aluminum Co. of America broke ground in a plot of corn fields (above) for the rod and bar mill at Newark, Ohio. Now

occupying a site larger than six city blocks, the plant already is remelting aluminum and will swing into capacity production in 1943's final quarter. Alcoa will operate it for DPC.



he fact that
if the ne
ggest to the
evaporatio
through the
ne flavon
ake.
standard fa
-in the m
sant. The
ake a pale
season spe
years ago
of whom
, markete
thesis was
e odor is
e flavor de
prepared to
d for man
r of it is
ortage has
etyl blend
ness.
stimula
articulate
find them
s, gravies
utamate
sively in
is derma
artificial
een held
ory sys
e market

ix city
melting
capac
quarter.

1943



Casting Steel **IN THE WORLD'S LARGEST VALVE PLANT**



STEP into this Crane foundry devoted exclusively to the manufacture of steel castings for valves and fittings. From the time the white-hot metal flows into the mold until the finished castings are shaken out, they are handled by a recently installed conveyor system, releasing countless man-hours to speed up production of equipment so necessary to fighting a global war.

Only foundries with such enormous capacity can keep pace with the vastly increased demand for Crane products. Today Crane Co.—long the world's largest maker of valves—is larger still.

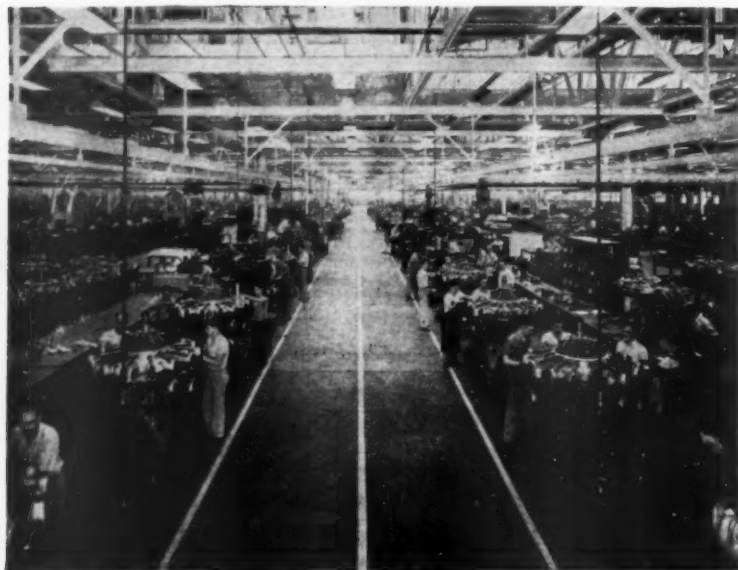
When the war is won American manufacturers are assured that the newest engineering developments, the latest designed machines, the "know-how" and skill that intensive war production requires will be devoted to making high quality valves and fittings for an America at peace.

CRANE CO., 836 S. Michigan Ave., Chicago, Illinois



CRANE VALVES

386 MILES OF *Carey* INSULATED PIPING— IN THIS GIGANTIC AIR-CONDITIONING SYSTEM for WRIGHT AERONAUTICAL CORPORATION



Interior of one of the nation's largest aircraft engine plants. Carey Insulation was used throughout. Plumbing & Heating Contractors: The Frank A. McBride Co., Paterson, N. J. and Cincinnati, Ohio. (This plant is also protected by a Carey Built-Up Roof.)

UNIFORM YEAR 'ROUND TEMPERATURE

Assures Maximum Precision in Production of Aircraft Engines for Wright Aeronautical Corporation

One of the nation's largest and most efficient industrial air-conditioning systems provides ideal working temperatures in this giant war plant. The plant is heated in winter and cooled in summer by circulation of hot or cold water through a single, vast piping network.

Used throughout this entire system, CAREY INSULATION insures an approximately uniform temperature the year 'round. This makes possible the extremely fine precision workmanship demanded in aircraft engine manufacture—where accuracy is measured in ten-thousandths of an inch.

Here, as in so many other plants, CAREY INSULATION plays an important part in the nation's battle of production. If present insulation of your air-conditioning system or power plant provides less than maximum heat conservation to meet war demands, it will pay you to call a CAREY representative. Write Dept. 29 for details.

Interesting FACTS About This Huge Installation

44,000 gallons of water per minute are circulated through this piping.

Temperature ranges: In summer, water cooled to 45°F., and moisture-condensation on pipes prevented by Carey cold water insulation. In winter, water heated from minimum of 90°F. to maximum of 140°F.

Equipment, in addition to huge quantity of Carey-Insulated piping, includes: 5 immense water coolers, 6 hot water heaters, 6 hot-water and chilled-water pumps.

Piping system is welded throughout.

PRODUCTS OF ASPHALT—ASBESTOS—MAGNESIA

ROOFING . . . SIDING . . . FLOORING . . . INSULATORS . . . ROOFINGS AND CEMENTS
WATERPROOFING MATERIALS . . . EXPANSION JOINT . . . ASBESTOS PAPER AND MILLBOARD

THE PHILIP CAREY MFG. COMPANY—Lockland, Cincinnati, Ohio

Dependable Products Since 1873

In Canada: The Philip Carey Company, Ltd. Office and Factory: Lennoxville, P. Q.

just about the time the coffee and cocoa supply situation improved (B&W—Jan. 10'43,p88), but their producers are counting on the convenience of an extract in cooking to build a market.

Fruit flavors have not suffered much. Although lemon and orange oil formerly were imported from Sicily, California has been producing them for some years, and Florida has taken up production lately. Orange oil is the only natural fruit flavor used extensively because it can be produced just as cheaply as synthetic orange. Citral is the flavor in lemon oil. Raspberry, strawberry, saffras, and almond are most frequently synthetic. Pistachio is exclusively a synthetic flavor, since no natural flavor can be made from the nut. Soda fountain and manufacturers of ice cream, chewing gum, soda pop, and candy are the flavor industry's big customers.

• **Domestic Flavor Crop**—There is a chemical formula for wintergreen and birch flavors, but mint is the one flavor crop grown in the United States. Average annual acreage, concentrated in Michigan and Indiana, is about 28,000, and average yield is 40 lb. to 50 lb. per acre.

Time was when the industry figured that with imports of other flavoring products cut off, domestic markets for peppermint and spearmint would expand—in medicines and tooth paste as well as food products. But business has fallen off, if anything, since oil from the mint plants, frequently extracted right on the farm, is not price-controlled, while jobbers are subject to the General Maximum Price Regulation and cannot resell at a profit. The industry has appealed to Washington for adjustment of this price situation, but it looks as though Uncle Sam won't do anything to relieve the mint farmer while he needs acreage for more rib-sticking agricultural crops.

• **Hesitant about Spices**—To the spice trade, synthetics are newer, and there is considerable hesitation in their use. Their use in canning, for example, is held back by fear of a chemical reaction in the finished product. Only established synthetic is cinnamic aldehyde for cinnamon. The chemical is mounted on a powder, frequently ground coconut shell, so that it can be sprinkled.

For ginger, cloves, coriander, mace, nutmeg, caraway, anise, angelica, etc., the trade depends on stockpiles and trickling imports. (Incidentally it has a favorite method of extending reduced imports of black pepper. Pepper is ground more coarsely than formerly, on the premise that consumers will get tired of shaking before they use as much pepper as they used to.)

• **Perfumes Require Stability**—Synthetics enjoy more prestige in the perfume industry than among flavoring manufacturers. In this field, price is not so important as in food. Of course, it may

and coe
BW-J
ucers
of an
arket.
ferred
range
icily, Ca
them
taken
s the on
sily be
s cheap
the flav
erry, sa
re quent
ely a syn
lavor can
fountain
n, chew
are the

ere is
een and
ne flav
es. Ave
rated in
28,000
50 lb

figured
flavoring
kets for
ould ex
paste a
ness has
from the
ed right
ntrolled.
General
nd can
stry has
stment
ooks as
anything
hile he
ng agri

e spice
d there
eir use.
ple, is
eaction
estab-
dehyde
ounted
cocoa-
kled.
mace,
a, etc.,
es and
it has
duced
per is
rly, on
ill get
much

ynthet-
erfume
manu-
not so
it may

1943



The beauty treatment that helps make

What's this . . . suds for synthetic rubber? Yes! The familiar bar of soap, once sole property of bathing beauties and shower-room baritones, is now doing its stuff for Uncle Sam and your tires-to-be!

But instead of being a scrubber-upper, soap plays an important part in the synthetic rubber process itself. A "dispersing agent," chemists call it; and under this title it stabilizes emulsions of the butadiene and other raw elements, preventing them from settling

or agglomerating. Soap's role is essential . . . and *sizable* . . . especially when you consider that 100 million pounds of it will be needed next year for this work alone.

Also vital to Victory is the *gun-powder* that soap helps to shape. Glycerin . . . formed in soap's manufacture . . . makes dynamite, cordite, nitroglycerin . . . the deadly explosives foretelling Axis defeat.

Wyandotte Chemicals Corporation has long been a trusted resource of

the soap industry, supplying it with alkalis in quantities both abundant and dependable. In countless other fields furthering the national effort, our products are doing a big share, too. Conscious of this fact, Wyandotte is making its "best" ever better.

• Wyandotte Chemicals Corporation consolidates the resources and facilities of Michigan Alkali Company and The J. B. Ford Company to better serve the nation's war and post-war needs.



Wyandotte

OFFICES IN PRINCIPAL CITIES

WYANDOTTE CHEMICALS CORPORATION—WYANDOTTE MICHIGAN

Alkalies • Chlorine • Calcium Carbonate • Calcium Chloride • Dry Ice • Specialized Cleaning Materials for Business, Industry, and Institutions • Wyandotte Cleanser for Home Use

Business Week • August 21, 1943

63



Ever check up on your porters an hour or two after they've scrubbed and scoured the oily, greasy floors in your plant? Ever notice how, in hot weather, oil and grease "bleed" out of the old deposits, just as though the floors hadn't been cleaned at all? That's not the porter's fault. It's your fault. If your floors are cleaned with SPEEDI-DRI they won't bleed, because SPEEDI-DRI draws old oil stains out of wood, concrete, or metal.

SPEEDI-DRI does even more than that. It sets up an immediate non-skid surface. It acts as a fire retardant. It brightens and lightens the whole room. It saves workmen's shoes from oil-rot and helps to prevent skin diseases of the feet. It conserves vital manpower because it is easily spread by hand and as easily cleaned up. It saves time because it can be applied and removed without interrupting production. It improves employee-morale because it makes the plant a cleaner, safer place in which to work. For all-around effectiveness in oil-absorption and floor-area-covered there is no other product that can compare with SPEEDI-DRI.



Write for a generous, free sample and test it in your own plant. (If you use water soluble oils or if water is also on your floors, ask for SOL-SPEEDI-DRI.) End the menace of bleeding floors in your plant quickly, effectively, and economically with SPEEDI-DRI.



SUPPLIERS
 East — REFINERS LUBRICATING CO.
 New York 1, N. Y.
 Midwest and South
 WAVERLY PETROLEUM PRODUCTS CO.
 Philadelphia 6, Pa.
 West Coast
 WAVERLY PETROLEUM PRODUCTS CO.
 Menlo Park, Calif.

be cheaper to secure rose oil by chemical synthesis than to import the natural oil distilled from rose petals in Bulgaria, but the important fact is that a good modern perfume can't be made even from the most skillful blend of natural flower oils.

Flower oils (or chemical imitations) still provide the sweetness of good perfume, but chemistry provides the individual character as well as the lasting qualities.

Givaudan-Delawanna, Inc., aromatic producers, report an inventory of some 15,000 different odors which they supply to cosmetic manufacturers, paint producers, the textile trade, and various other industries. (Rose comes in hundreds of odors.)

• **Blend of Scents**—One perfume frequently contains 2,000 different odors blended into a scent which may or may not resemble a flower. A rose and jasmine combination smells more like a gardenia than gardenia oil, while jasmine (which sells as high as \$1,000 a pound) is necessary to all so-called exotic perfumes.

Aromatic chemists work pretty much from an esthetic viewpoint, discussing their work in terms of high notes, low notes, lights, and shadows, but all of their products do not go into strictly esthetic service. Much of the business is negative, the matter of covering up an objectionable odor without allowing another one, even a pleasant one, to appear. This is important in furniture polishes, all kinds of textiles on which a finishing oil is used, soaps, paints, glue, floor wax, insecticides, and about 300 other products.

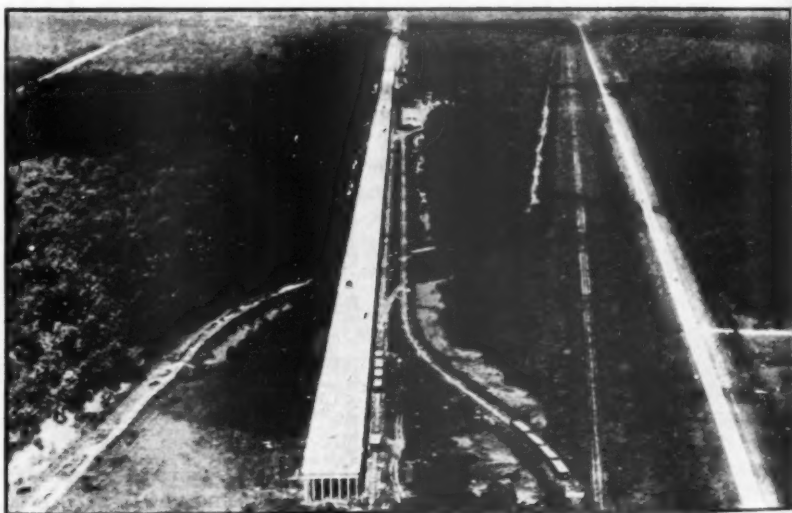
Itch-Hours Saved

Philadelphia's war on the mosquito already shows results in fewer war-production minutes lost to slapping and scratching.

When it was proved that the mosquito was responsible for a nightly loss of more than 5,000 production hours in its war plants last summer, Philadelphia enlisted the government's aid in combating the pests. Their combined efforts since then have brought the situation under control, and Mayor Bernard Samuel predicts that 1944 will find the nuisance eliminated.

• **A Minute a Night**—Nobody did much about the city's annual mosquito invasion until efficiency men produced data showing the average workman in shipyards and factories spent a minute a night slapping at the insect world's version of the dive bomber. Multiplying this by the more than 300,000 night shifters in local plants, the result was more hours lost than anybody imagined. In addition, it was pointed out that the mosquitoes are an accident hazard, distracting workers.

Maj. Russell W. Gies, assigned to the job by the Surgeon General of the U. S. Public Health Service, set traps last year at the Philadelphia Navy Yard and other suspected bad spots. He found that some of the mosquitoes came as far as ten miles, showing the campaign had to be on a broad scale. One eight-inch square of earth from a



ABOVE THE CREST

Acting on the premise that another way to circumvent a flood is to go over it, construction engineers are hustling work on Louisiana's raised concrete highway between Krotz

Springs and Lottie—about six miles. Elevated 25 ft., the skyway is expected to be tied into U. S. highway 190 to keep farm and industrial traffic moving between New Orleans and mid-Texas towns when the swollen Atchafalaya River inundates the area.

of the A.E.F.!

"Roughriders" of America's Armed Forces Admire the Tough, Sure-Footed, Ford-Made Jeeps and Amphibian Jeeps—Built to Charge Roughshod Through the Toughest Going Any Army Ever Faced!

JUST as a trooper loves his horse and a sailor his ship, America's fighting men in this mechanized war have come to think the world and all of the rough-and-ready, game little Jeeps! Mass-produced on the same lines that turned out automobiles, Ford has made thousands of both land Jeeps and Amphibian Jeeps, each built with the traditional precision and cost-saving skill acquired in producing more than 30,000,000 Ford cars and trucks.

They're sweethearts, say the soldiers! And it's no wonder they're hailed with affection by our armed forces everywhere in this global conflict!

For Ford-made Jeeps charge roughshod through thickets and jungles that would trap a less formidable vehicle. With their four-wheel drive, they scale slippery banks and steep hillsides, "turn on a dime," do fifty over corduroy roads and shell-pocked terrain—and do it all with a minimum of care and attention!

Together with such other battle-tried products as M-4 tanks and M-10 tank destroyers, Liberator bombers and heavy horsepower aircraft engines, these Jeeps give practical expression to the Ford wartime creed of *full production for Victory!*

FORD MOTOR COMPANY



AMPHIBIAN JEEP

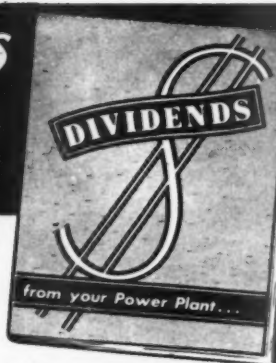
The Ford-Developed Amphibian Jeep is equally at home on water or land—can cross swift rivers, lakes and even traverse open seas for limited distances. If necessary the Amphibian Jeep can pull itself up a well-nigh sheer bank by means of a power capstan in the prow. The same steering controls are used without change for land or water operation and most parts are interchangeable with the quarter-ton Ford truck.



In Watching COSTS Don't Overlook your POWER PLANT

Get This Valuable NEW FREE BOOK

Here's a book that tells cost and production-determining facts every plant head ought to consider closely—today, with fuel scarce and new equipment often unavailable. Contains ten concise, non-technical discussions, by men who know steam—its application, production, conservation. For example—IF STEAM WERE A RAW MATERIAL—"GOOD" BOILERS CAN WASTE MONEY—IF THE PRODUCTION BUDGET HAS A CLOSE MARGIN. Angles that may have escaped you. Facts applying closely to your own plant. Not a catalog. No advertising. Nothing to sell. It is distributed as a service to those with whom we hope to do business when priorities no longer govern the placing of orders. Send for it without obligation—no salesman follow-up. Merely sign and mail the coupon.



36 pages of power
information and ideas

PREFERRED UTILITIES

Manufacturers of
Unit Steam Generators

SEND THIS TODAY

Preferred Utilities Company, Inc.
33 West 60th St., New York 23, N. Y.

Please send me my free copy of
DIVIDENDS FROM YOUR POWER PLANT.

Name.....

Address.....

A COOLING TONIC FOR FATIGUE



OASIS Electric Water Coolers

On the production front . . . the fighting front . . . the business front—or aboard ship—clear, clean, cool drinking water makes a world of difference in the morale and energy of every individual. Medical authorities emphasize this fact. That's why Oasis Electric Water Coolers are recognized "allies of

production." They deliver invigoratingly cool water 24 hours a day—at minimum cost! EBCO's advanced production-line manufacturing methods assure top-quality construction in every detail—as shown

by 20 years of pioneering leadership. Submit your priority water cooler needs to EBCO TODAY!

EBCO Manufacturing
Company

401 W. Town St., Columbus, O.

suburban marsh contained 125 quitoes. Single traps caught up to a night (20 in a trap is serious, experts say).

● **Marshes Drained**—Philadelphia appropriated \$45,000 for the job this year but expects total outlay to be considerably higher; the government is spending \$25,000 in the Navy Yard alone. The task involves the use of heavy-duty pumps to take water from below-level marshes, bulldozers for fill-in work and sprays of pyrethrum base or Neel fuel oil. Spraying must be done every since its effectiveness lasts only about ten days.

The mosquitoes—more numerous than usual this year due to heavy spring rains—are found to include the *Anopheles quadrimaculatus*, which is a malaria carrier. Since there are few in the vicinity with the disease, present danger is small, but with many returning soldiers carrying the malaria parasites in their blood, the peril will be great.

MILKWEED PAYS OFF

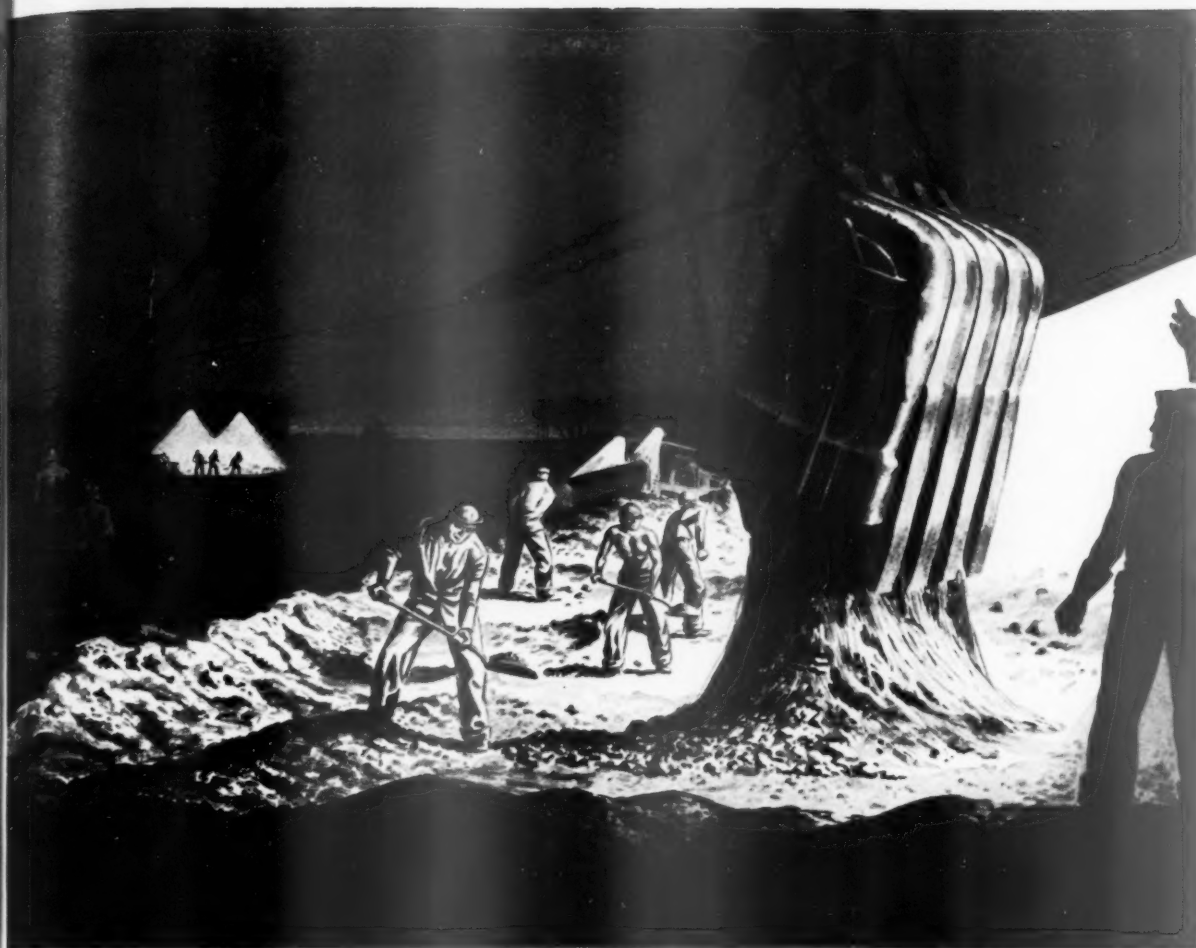
Michigan farmers' annoyance at the milkweed which overruns their fields will die a cheerful death this year when the Commodity Credit Corp. begins to gather up the pods of the weed for processing into floss for the Navy. A heavy demand became virtually assured recently when the Defense Plant Corp. authorized plant alterations at Milkweed Floss Corp. of America, Petoskey, Mich. (BW—Dec. 5 '42, p. 55).

A substitute for kapok in life preservers, aviation jackets, airplanes, and other military devices, milkweed floss was developed by Dr. Boris Borkman, Chicago physician who heads the corporation. The new plant, with a battery of seed cleaning units, cyclone separators, seed cleaning units, conveyors, floss collectors, and balers, is to be in operation Oct. 1.

The corporation's goal this year is 1,000,000 lb. of floss. This means purchase and processing of 5,000,000 lb. of 6,000,000 lb. of pods for immediate use before the plant can begin to undertake its more ambitious program of building up a huge stockpile. For the duration, output probably will be reserved exclusively for the Navy (which wants tons as much next year). After the war, however, milkweed floss advocates hope to give kapok (Dutch East Indies) a stiff fight in the civilian field—principal stuffing for upholstered furniture.

CORRECTION

Hi-V Vitamins Corp., 366 Madison Ave., New York, is independently owned and not a subsidiary of Miller Laboratories as stated in Business Week's Report to Executives on the vitamin industry (BW—Jul. 10 '43, p. 67).



So Seabees Can See!

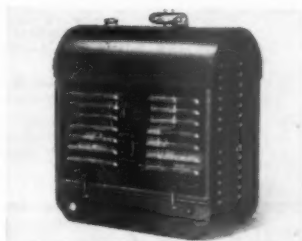
In war's grim wake lies a round-the-clock challenge — reconstruction. Harbors must be cleared, roads made passable, hospitals set up, airfields leveled.

In such emergencies, electric power is vital . . . to operate tools, pumps, compressors . . . to floodlight urgent rebuilding.

That's where Navy Construction Battalions take over . . . Seabees who know how to restore devastated areas. And the Seabees are using portable,

ready-for-use Kohler Electric Plants in large numbers.

Kohler has a complete line of plants, for regular, emergency or auxiliary use, supplying electricity *for every need*. Today Kohler Electric Plants have gone to war, mobilized to help speed peace and hasten the day when their services will again be available to every one everywhere. Kohler Co. Established in 1873. Kohler, Wis.



2 kw plant in housing.
5 and 10 kw plants are also used.

KOHLER OF KOHLER

ELECTRIC PLANTS • PLUMBING FIXTURES AND FITTINGS

Business Week • August 21, 1943

NOTE:

Baker has re-designed many of its trucks to meet Industry's needs for increased production:

1. Longer continuous operation.
2. Faster handling.
3. Lower maintenance.

NEW-Baker Low Lift TRUCKS



For Increased Production and Efficiency

Another forward step in providing faster, safer, and better movement of material has been made by Baker Trucks. This new Low-Lift model, designated as Type E-3, is of 6000 lb. capacity. The improvements consist of hydraulic lift, increased battery capacity permitting longer continuous operation, chamfered front top corner of battery compartment improving driver's visibility, operator's guard integral with frame for greater strength and safety, and other features which provide increased efficiency and easier maintenance... The new improved design is also available in 4000 lb. capacity (Type E-2). Write for complete information.

NEW Baker Low-Lift Truck has these advantages:

- 1 Hydraulic lift system proved by experience in other Baker Trucks, providing positive control of hoisting and lowering.
- 2 Larger battery box (32" x 39½") permitting enough additional battery capacity so that trucks can be operated continuously for longer shifts.
- 3 Streamlined design of battery compartment providing greater visibility for operator.
- 4 Sliding type battery cover equipped with handles for faster servicing.
- 5 Operator's guard built integral with frame for greater strength and safety and improved appearance.
- 6 Handy compartment for carrying towing chain, pinch bar, or other tools.
- 7 Controls in a conveniently accessible panel providing easy maintenance.
- 8 Alloy-steel trailing axle firmly anchored to frame, wheels steering on anti-friction bearings. Box-section frame to withstand strains and minimize maintenance.
- 9 Singlehex nut for adjusting travel brake located where it can be easily reached.
- 10 Standard Baker-built travel motor, and exclusive Baker Duplex-Compensating Suspension for smoother running and longer life.

BAKER INDUSTRIAL TRUCK DIVISION of the Baker-Raulang Company
2164 WEST 25th STREET • • • CLEVELAND, OHIO

In Canada: Railway and Power Engineering Corporation, Ltd.

1115-1B-68

Baker INDUSTRIAL TRUCKS

Plastic Soles

Research is overcoming many of the drawbacks, but these leather substitutes won't hit their stride till after the war.

Four years before shoes were rationed, manufacturers were experimenting with plastic uppers for women's shoes. And when their attention turned to plastic soles, the leather tanners began to worry. • **Variety of Soles**—Rationing brought out an array of synthetic materials, admittedly not much more than wartime substitutes. Besides artificial rubber, they are of wood, fabric, paper, and plastic. There are hinged wooden soles of plywood, and of split down there are Dutch shoes and Italian mule shoes. Fabric soles are made of everything from felt, rope, and impregnated duck, to impregnated canvas, such as Bigelow-Sanford is developing. Paper soles are impregnated with various substances including plastics. Most of these soles are sold only for play shoes.

Rationing has hastened research in pure plastic soles. But these soles have been stymied, rather than stimulated, by war conditions. Most of them require critical materials, so that their manufacture is limited mainly to soles used on work shoes.

• **Plastics' Shortcomings**—Some shoe men are frankly distrustful of plastic soles. They find that certain types break at the edges, where the stitching cut through. Some are hot to wear. Plastic-impregnated fabric soles are likely to crack. But almost all types cost so much, that were leather of sufficiently high grade available, plastic would not be used at all in the making of shoe soles.

Yet plastic soles can be made to equal wear leather. Hamilton, Schenck & Walsh, St. Louis shoe manufacturer, made a good plastic sole until war shortages kept it from getting necessary machinery. Union Carbide & Carbon Corp. is making something of a Vinylite sole, and, by way of ducking the restriction against two-toned leather shoes, the Gold Seal Shoe Co. of Boston has developed a plastic sole that wears ten times better than leather and is selling as fast as the shoes can be shipped.

• **Adhesive Developed**—Drawbacks in the manufacture of plastic-soled shoes are gradually being overcome. An adhesive has lately been developed which will hold the sole firmly to the upper, one of the original problems with plastic soles. Present shoe machinery, with minor changes, can be adapted to the postwar use of plastic. A layer of thin leather inside the plastic outer sole

vercom
backs, b
ates wo
r the wa

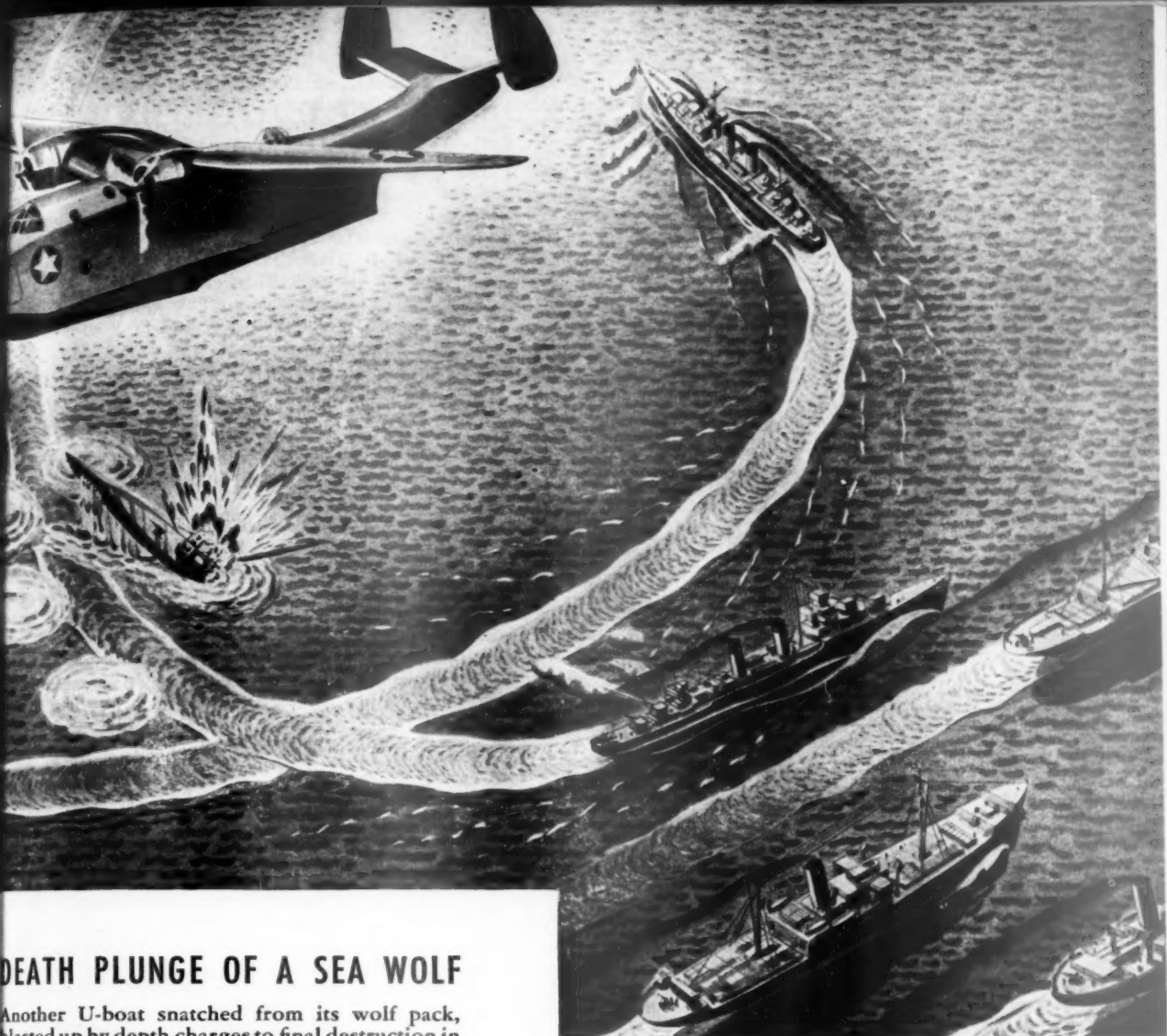
ere ration
nating w
shoes. A
ed to pla
gan to wo
ioning b
nthetic s
e than w
rtificial r
e, paper, a
ooden so
plit down
Italian m
les are m
pe, and a
egnated c
aford is d
mpregnate
luding pla
re sold on

research
e soles ha
mulated, b
them requ
their num
soles me

Some sho
of plast
tain type
the stitche
ot to wea
oles are le
l types co
er of su
le, plast
the makin

ade to co
Scheu
nufacture
until wa
ing nec
ide & Ca
hing of
of duck
ned leath
Co. of Bo
sole the
weather an
es can b

whacks
oled sho
An ap
ped whic
the upper
ems wit
machines
adapted
A layer
outer sole



DEATH PLUNGE OF A SEA WOLF

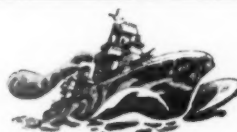
Another U-boat snatched from its wolf pack, blasted up by depth charges to final destruction in a cross-fire from destroyers. Fletcher Pratt, noted naval authority, helped us prepare this picture.

On every battle front, Westinghouse-made weapons and equipment are in the fight. On the production front, Westinghouse Air Conditioning and Industrial Refrigeration provide correct conditions of temperature, humidity and air cleanliness to make possible uniform quality, high precision, fewer rejections, faster output.

After Victory, Westinghouse "conditioning" will contribute toward a thousand new-day benefits. Better products at lower cost, greater year 'round comfort and convenience—better living for all.

In helping solve "conditioning" problems, Westinghouse draws upon years of experience with thousands of varied installations. The exclusive hermetically-sealed compressor assures economy, dependability, long life. Inquiries are invited from producers of war materials and from postwar planners.

WESTINGHOUSE ELECTRIC & MFG. CO.
717 Page Boulevard Springfield, Mass.
Plants in 25 Cities . . . Offices Everywhere



SPEED COUNTS. Matched sets of huge propulsion gears for warships are cut in rooms held at constant temperature throughout the entire operation of several days, to insure perfect fit.



EYES IN THE SKIES. So exacting are the manufacturing requirements in many aircraft parts and processes that air conditioning is used to control temperature, humidity and air cleanliness.



SUB DETECTED. Where delicate instruments used for detection and communication are assembled, air conditioning prevents rejects caused by excess humidity, temperature and air-borne dust.



ON THE COURSE. To protect the fine parts of navigation instruments from perspiration and dust during manufacture and to permit the precise fitting required, constant air conditions are maintained.

Turn in John Charles Thomas, NBC, Sunday at 2:30 P. M. E.W.T.

Westinghouse Air Conditioning

GEARED TO A THOUSAND WARTIME NEEDS

SLY DUST CONTROL

Improves

WORKING CONDITIONS



★ This Industrial Dust Control cleans the air of harmful, noxious dusts. It collects even fine, penetrating dust—*invisible to the naked eye*. It raises the efficiency of workers—they see better, feel better. It brings about greatly improved working conditions so vital to stepped up production.

Specializing in this field for over 40 years, Sly Engineers have solved the dust problems of **57 industries** suppressing and collecting **111 kinds of dust**. We have been doing this longer than anyone else.

This experience is at your disposal. Ask for Bulletin 98 and tell us about your industrial dust problem so that we may write you fully. Sly Dust Control is not expensive.

THE W. W. SLY MFG. CO.
4749 Train Avenue • Cleveland 2, Ohio

SLY

PIONEERS IN *Scientific*
DUST CONTROL

will provide porosity. And high costs will drop when markets are freer, when wartime demands for plastics have diminished.

Plastic soles have a dual job, substituting for both rubber and leather. They look and feel somewhat like rubber, although they have a shinier surface. Vinyl plastic, several types of butyral, and many other varieties of pure plastic are being combined with any of about 200 different types of chemical plasticizers, which cut down cost and make the hard virgin material more pliable.

● **To Match the Costume**—At the laboratories of the Union Bay State Co. in Cambridge, Mass., where synthetic soles are tested, the prediction is that after the war plastic shoe soles will boom not only in the work-shoe field, but also in dress shoes, for they can be made in colors to match any costume and with interchangeable heels to agree with any color scheme. They probably will have greatest success in the inexpensive shoe group, where leathers heretofore used will be no match for plastic soles of equal comfort and higher durability. One shoe man predicts that this inexpensive group will encroach upon the moderate price group (\$6.95 to \$8.95), which can offer nothing better than the plastic-soled shoes will have at \$3.95 to \$5.95.

In the play-shoe field, plastics are threatened by such developments as "Sylon" soles, made by the A. Sandler Shoe Co. of New York. Sylon is a specially woven fabric, coated inside with plastic. This is wrapped around a piano-felt sole and cured, as are rubber soles, in a special mold under heat and pressure. During the process, reinforcements

of scrap rubber or plastic are added to heel and toe. Then the sole is plasticized.

● **On Market Now**—Hanan & Son, one of the oldest and most conservative manufacturers of shoes in the higher price brackets, is not waiting for the war's end for its plunge into plastic soles. This month it is advertising its \$14.75 line of men's Hurdler shoes with Hanan plastic soles that are "tough and enduring—yet believably soft and flexible."

HOME-GROWN SILK

They're starting mulberry plantations in California; there'll be silkworms to eat the mulberry leaves; three inventors have bobbed up with reeling machines and the West Coast is talking about stealing an industry that has for years belonged to the Japanese.

One of the reeling machine inventors is Chinese-American James B. Leong; another is David H. Young, official at San Diego's San Marcos Silk Co.; the third is Walter S. Roberts, New York silk manufacturer, who has started mulberry plantations in California. Details of the machinery are not available, but all three think they have licked the problem of hand labor which heretofore has given Japan its monopoly.

Roberts says raw silk can be produced for \$2.50 to \$2.75 a pound. (It rarely sold that high between 1929 and 1934 and the major competitive battle with rayon and nylon is still to come.) He also predicted superior quality for much of the silk due to mechanical reeling. And in the best California tradition, people on the Coast are talking of promoting growth of both the mulberry trees and the cocoons by adding vitamins.



Limited pretty much to work and play shoes because of material shortages, plasticized soles are bidding against leather for postwar markets. Among types of substitute soles now in use

are those (left to right) of paper backed with fiber and coated with plastic; impregnated duck; hard fiber; jute felt; butyral sheet; and (bottom) split wooden dowels.

NEW PRODUCTS

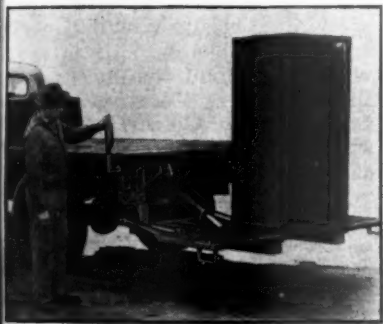
Antifreeze Reconditioner

Many car owners drained out their last winter's antifreeze solutions and stored them for re-use in accordance with a WPB request for conservation. Now, however, automotive engineers warn that solutions of both the ethylene-glycol and the alcohol types tend to lose their rust-inhibiting qualities and to become acid after extended use and storage.

When it comes time to pour your antifreeze back into your car, it might be a good idea to look into a new Anti-Freeze Re-Inhibitor formulated by E. I. du Pont de Nemours & Co., Chemical Specialties Division, Wilmington, Del. It needs only to be added to either type of solution to neutralize any acid formation and restore lost rust inhibitor. It does not contribute additional antifreeze properties.

Tailgate Loader

One man and a new "Tailgate Loader" attached to the platform of a truck, van, or trailer can lift boxes, crates, drums, or other items weighing as much as 1,500 lb. each from ground to body level in less time than it takes to describe the operation. When the packages have been stowed, the loader swings upright to form a sturdy, locked

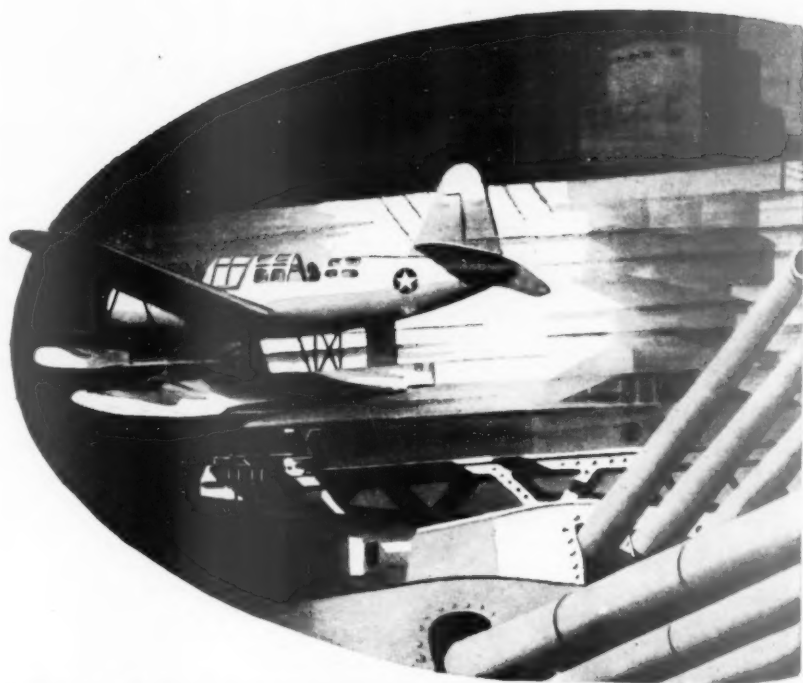


tailgate. When they arrive at destination, the loader becomes an unloader.

Business part of the device is a powerful 5-in. hydraulic cylinder which works at the touch of a finger through an ingenious system of levers, stopping automatically at ground or body level. As manufactured by the Anthony Co., Inc., Streator, Ill., the mechanism weighs 670 lb. complete with all fittings.

Clutch Head Screw

Newest version of a time-honored fastening device is the Lamson Clutch Head Screw, new product of the Lamson & Sessions Co., 1971 W. 85th St., Cleveland. Instead of having a standard slot for a screwdriver, it is equipped with



SLINGSHOT...

with a 1,000,000 pound wallop!

From the deck of a ship a plane is shot into the air...catapulted by a giant "sling" that imposes a load of about one million pounds on the Hyatt Roller Bearings in its mechanism.

What a wallop!

And what a bearing...that possesses the necessary design, precision and toughness to handle such load extremes!

Years of peacetime experience, in applications undergoing parallel punishment...like ingot cars, mill motors, shaping presses, railroad journals, etc...have enabled Hyatt to "inbuild" the stamina needed to take loads as they come.

In the battle of production...as on the battlefield...Hyatt Roller Bearings are fighting to win this war.

Fighting against friction...and for America!

Hyatt Bearings Division, General Motors Corporation, Harrison, N. J.



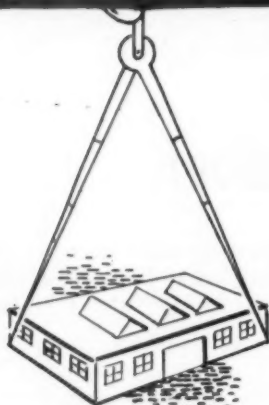
HYATT ROLLER BEARINGS

AMPLICALL

* FOR THE SMALL PLANT
FOR THE MEDIUM PLANT
FOR THE LARGE PLANT



W300 SERIES



* DESIGNED TO ANSWER SMALL WAR PLANT NEEDS

Communications that can *save steps . . . locate instantly . . . speed war materials on their way . . .* are equally vital to small plants as to the giant industries. In the **AMPLICALL W300 Series** Paging System with Two-Way Communication, small plants all over the nation have found the complete answer to the pressing problem of necessary plant coverage.

What this AMPLICALL does:

1. Effects *instant* location of anyone throughout the plant premises by paging over all speakers simultaneously.
2. With location effected, two-way communication is immediately carried on privately with the located person at the remote speaker station.
3. Any remote station can originate a call to the central master station, usually the telephone switchboard.

This **AMPLICALL W300 Series** System is available in three sizes—6, 12 and 18 paging points. It will pay you many times over to learn how easily and profitably **AMPLICALL** can serve your plant. Write us now for full details.

Electroneering is our business

Rauland

RADIO...SOUND...COMMUNICATIONS

Rauland employees are still investing 10% of their salaries in War Bonds
The Rauland Corporation . . . Chicago, Illinois

a unique recess for a special self-centering driver bit, so designed that the screw clings to the bit for insertion into hard-to-get-at places and practically negates the possibility of its slipping



out and marring work during any kind of assembly.

Added feature is the fact that the same screw can be backed out or driven with a standard screwdriver if no special bit is available during an emergency repair job. The screw is made in all sizes from 6/32- to 1-in. diameter with standard round, flat, truss, binding, fillister, or hexagon heads.

New Products Briefs

Also reported this week, not only for their interest to certain designated business fields, but also for their possible import in the postwar planning of more or less allied fields and business in general, are the following:

● **Aviation**—Airport dust promises to be laid effectively by a new Emulsified Oil developed by the Curran Corp., 6 Pleasant St., Malden, Mass. It is said to wet and penetrate all types of soil, including moist earth, to a depth of 2 in., at which point it somehow becomes insoluble and does not leach away during heavy rains. It is said also to include an effective weed killer in its composition.

● **Metalworking**—Patents are pending on Herman Precision Granite Surface Plates, new products of the Herman Stone Co., 324 Harries Bldg., Dayton, Ohio. They are processed out of non-abrasive, natural stone "harder than any tool used on their surfaces," to a surface accuracy of "1/10,000 in. over-all." They come in four stock sizes from 12x18 in. to 24x36 in., and in special sizes upon request. . . . The new Air-Lube Lubricator is an exceptionally compact and lightweight device for installation in the air hose (or service pipe) leading to a pneumatic handtool. As manufactured by Filters, Inc., 1515 Gardena Ave., Glendale, Calif., it has resilient bumpers to prevent marring of work and a Lucite window to show when its oil supply needs replenishment.

WAR BUSINESS CHECKLIST

A digest of new federal regulations affecting priorities, price control, and transportation.

Refrigerants

Tighter controls have been established for chlorinated hydrocarbon refrigerants used as cooling gases in refrigerating systems. All applications for allocations will now be considered individually, and requirements for filing inventory statements have been broadened to include users as well as suppliers. Refrigerants for food processing, storage, and dispensing units are excepted from the order. (Conservation Order M-28, as amended.)

Container Closures

All limitations on the use of rubber—synthetic or natural—in sealing closures for glass containers are repealed as a result of the supply of synthetic rubber now on hand. Restrictions are eased on the use of electrolytic tinplate for closures in packing mincemeat and maraschino cherries, and on frozen blackplate for the manufacture of crown caps for beer and soft drink containers. Cosmetics producers may use, for closures for the rest of 1943, up to 35% of specified types of metal used in 1942, and, after Jan. 1, 1944, 65% of the metal so used. Similarly, bottlers of wines and distilled spirits are allowed 25% of their 1942 use for closures for the rest of the year, and thereafter, 50%. Both bottlers and cosmetics producers are held to an inventory of such closures of not more than 60-days' supply if they use annually more than \$500 worth.

Under Schedule I of the order, listing certain foods in the packing of which electrolytic tinplate may be used for closures, frozen fruits and vegetables are released for the manufacture of baby foods and soups without restrictions. (Conservation Order M-104, as amended.)

Antifreeze Chemicals

Restrictions on the permanent type of antifreeze chemicals (ethylene glycol) have been released to make them available next winter in twelve high-altitude states, and in all states for pursuit cars used by the police and by the Dept. of Justice. This order, with the 45,000,000 gal. of ethyl alcohol allocated for civilian use, is expected to afford an ample supply of antifreeze. (Order L-51, as amended.)

Grade labeling requirements for antifreeze have been withdrawn by OPA action, which, however, requires that packages must indicate the number of gallons of antifreeze to be added to one gallon of water to reduce the freezing point to -10 deg. F., or, as an alternative, to designate by an antifreeze protection table the amount of antifreeze needed to obtain the same result. This ruling also permits certain sales of wood distilled methyl alcohol base antifreeze, con-

Dependable MOTOR Performance REQUIRES THOROUGH ENGINEERING

★ Today's unusually rigid requirements emphasize more than ever the importance of *thorough engineering* in special application motors.

Our long experience in designing and building fractional horsepower motors for all types of equipment has been an outstanding factor in providing this thorough engineering so vitally important.

Valuable new experience gained through our complete participation in the war effort will contribute to improved motor operated equipment for the future.

THE BLACK & DECKER ELECTRIC COMPANY
KENT, OHIO



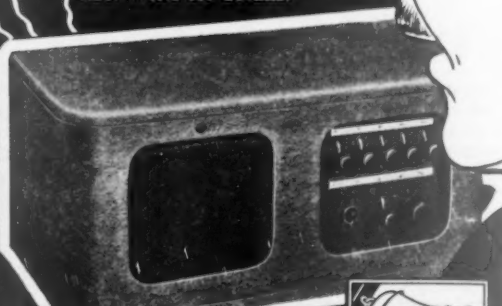
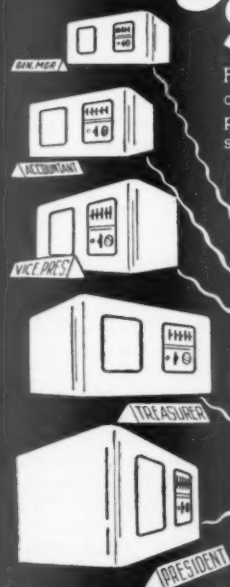
Black & Decker

FRACTIONAL HORSEPOWER
SPECIAL APPLICATION MOTORS

BELphone

INTERCOMMUNICATION SYSTEMS

For complete, swift, private communication between any or all offices, departments, or executives. BELphone speeds inter-office cooperation, clears telephone lines for outside calls, ends wasted steps and time. Economical standard units combine to fill needs of any type or size. Write for details.



BELL SOUND SYSTEMS, Inc.

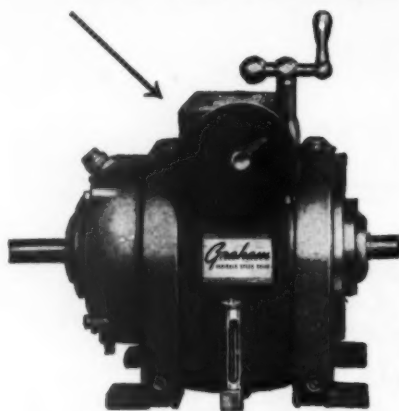
1187 Essex Avenue

Columbus, Ohio

Export Office: 5716 Euclid Ave., Cleveland, Ohio



★ No other Variable Speed Transmission GIVES EVERY SPEED FROM TOP TO ZERO PLUS REVERSE



ONLY THE
Graham
**VARIABLE
SPEED DRIVE
GIVES YOU**

1. Not just 5 to 1 range, or 10 to 1, or 100 to 1, but every speed to zero, forward and reverse, without stopping the motor.
2. Full torque guaranteed over the entire speed range.
3. Close speed adjustment with accurate return to pre-set speeds.
4. Extreme compactness, all metal, self-lubricated, no belts, moderate price.

Machine designers who are modernizing for the post war market should investigate the Graham.

Write for Bulletin 506

Machine Builders — Order a 1/2 HP Graham, now to prove its advantages — use it in your laboratory as a utility all-speed test unit. WE CAN DELIVER!

GRAHAM TRANSMISSIONS INC.
2706 N. Teutonia Ave. Milwaukee, Wisconsin

taining less than 95% by volume of wood distilled methyl alcohol, at Type N ceilings. (Amendment 6, Regulation 170.)

Train Service

Due to heavy demands of military and essential civilian traffic, no supplemental train or sleeping-car service will be authorized, in addition to present schedules, for operation next winter to Florida, the Gulf Coast, Arizona, California, and other winter resorts.

Grade Labeling

Grade labeling requirements have been lifted from certain products in conformance with the Taft amendment to the Emergency Price Control Act. Those affected are packers of fruits and vegetables and of some fruit juices; shellers of peanuts who sell extra-large or medium grades of the Virginia-type raw shelled peanuts; country shippers of dry edible beans (who need not specify U. S. or state grades on labels); warehousemen holding burley tobacco of the 1942 crop. In each case, however, grades must be stated on the invoices. (Amendment 13, Regulation 306, for fruits and vegetables; Amendment 2, Regulation 335, for peanuts; Amendment 7, Revised Regulation 270, for beans; Amendment 4, Regulation 283, for tobacco.)

Frozen Fruits and Vegetables

To cover increased costs of raw materials to processing plants, new maximum prices for the 1943 pack of a number of frozen fruits and vegetables are now established. "Minor" vegetables, including rhubarb, broccoli, and melons, are granted a 20% increase over the 1942 cost of raw materials as computed under MPR 207. In another group, consisting of lima beans (except Fordhook), beets, and carrots, increased prices will be supported by the War Food Administration. Spinach, freestone peaches in Oregon and Washington, and mixed fruits and vegetables are also provided for by this amendment, which requires sellers of processed fruits and vegetables to pass the slight reduction allowed for sales on a "no-storage" basis on to the distributor or wholesaler. (Amendment 3, Regulation 409.)

Meats

Following similar action taken last month on beef and veal, OPA has reduced the discount on carload sales of lamb and mutton from 75¢ a hundredweight to 25¢ and has eliminated the wholesaler's quantity discount, permitting him to charge 75¢ a hundredweight over applicable zone prices. Quota restrictions have been discontinued for sales of fabricated cuts to the War Shipping Administration and to contract schools feeding members of armed personnel, by the same order (Amendment 8, Revised Regulation 239) and by Amendment 24, Revised Regulation 169, which also permits hotel supply houses to sell beef and veal carcasses and wholesale cuts, as well as fabricated cuts.

The regulation affecting variety meats and edible byproducts has been changed to eliminate "type" designation, to allow additional costs for packaging, for deliveries

by hotel supply houses, for storage and freezing charges. This action also reduces discounts on carload sales and eliminates wholesalers' quantity discounts for the types of meats. Prices per 100-lb. are lowered on three types of meat byproducts and nine other types are added to the price lists, at levels somewhat lower than current prices. (Amendment 1, Regulation 396.)

Sea Food

Ceilings on eight items of frozen fish and other sea food have been lowered from 1¢ to 12½¢ per pound at the processor level to alter a price situation that encourages the sale of frozen fish to avoid ceilings set for fresh fish by Regulation 418. Fish affected by the amendment are swordfish (four items), whiting (three styles), and sea scallops. (Amendment 3, Regulation 364.)

Dried Fruits

Dried fruit packers must set aside for the government their entire holdings of seven fruits during the 1943-44 season, under a continuation of last year's program. Items covered are raisins, prunes, apples, apricots, peaches, pears, and currants, all of which producers are forbidden to sell to any purchaser except packers or the Food Distribution Administration. (Food Distribution Order 16, amended.)

Silver Inventory

Some 1,400 manufacturers with inventories of silver that have been frozen as a result of WPB restrictions have been required to file inventory reports with WPB showing all idle foreign silver of .999 fineness, in the form of bars, grain, or clean scrap. This includes silver and scrap resulting from the processing of silver. Owners of such excess silver will be asked to sell it to authorized purchasers; sales to suppliers are subject to OPA ceilings of 45¢ per ounce. Simple book transactions, instead of physical delivery, may be sufficient for manufacturers holding frozen foreign silver stocks who require domestic or Treasury silver in their operations. Owners of foreign silver who are not regularly engaged in the business of selling it are permitted to make special sales of the metal to producers, reproducers, and dealers, without preference ratings.

Steel Garbage Baskets

Cities using a garbage collection system that requires steel baskets for transporting garbage from house to truck may obtain such baskets by applying to WPB's Government Division before Sept. 15. Manufacture of a limited number of steel containers for this purpose has been granted, for use only in cities where such a system is in effect.

Copper Water Tubing

A WPB program to redistribute through the Office of War Utilities idle excess copper water tubing now held in inventories of water utilities has been announced. Recovery of roughly 2½ million lb. of the



... Speaking of Shell Production

The "Little Red Hen" is a mighty big contributor to the war effort. In fact, eggs and poultry occupy such a prominent place on the menu of our soldiers, sailors, Allies and home folks that America actually needs more egg shells than cannon shell.

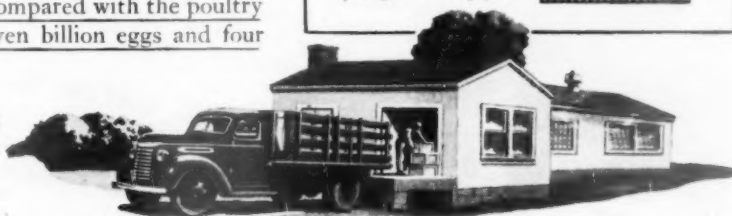
Nowhere are trucks more essential than in the poultry industry . . . to transport food, water and equipment on the farm . . . to carry poultry and eggs to market . . . to bring home feed and supplies in huge quantities.

More than 71% of our poultry and 65% of our eggs are transported by truck, according to figures from leading markets. The real significance of these percentages becomes apparent when compared with the poultry industry's staggering 1943 quotas of fifty seven billion eggs and four billion pounds of dressed chicken.

Joseph B. Eastman, director of the Office of Defense Transportation, recently stated: "Automotive Transportation is absolutely essential to the winning of the War. Goods must reach their destinations and workers must get to their jobs...on time." Join the U.S. Truck Conservation Corps and keep your trucks in best possible condition. Your GMC Truck dealer is pledged to help you.



BACK THE ATTACK... WITH WAR BONDS
Buy at least One Extra Bond during the 3rd War Loan Drive



GENERAL MOTORS TRUCK & COACH

DIVISION OF YELLOW TRUCK & COACH MANUFACTURING COMPANY

Home of GMC Trucks and Yellow Coaches . . . Manufacturer of a Wide Variety of Military Vehicles for our Armed Forces

Acme for Action

ARMY E NAVY

Quick action on attack brings many glorious victories to our gallant navy. And quick action on the production front in supplying needed equipment spurs the confidence of our boys for those further victories that will drive the enemy from sea, land and air.

Action here at Acme means we are breaking all previous records in producing tools, tool engineering, patterns and heat-treated aluminum castings, to help war production plants deliver essential equipment on time.

Our service is complete--including engineering service of long experience. Don't hesitate to call on Acme to keep your bottlenecks down--to step your production up.

ACME PATTERN & TOOL COMPANY, Inc.
DAYTON, OHIO

Heat-Treated Aluminum Castings—Patterns—
Tools—Tool Designing—Production Processing

For VICTORY buy WAR BONDS and STAMPS

critically needed metal for war use is expected. If existing stocks cannot be made "as is" in a reasonable time, the government is offering the same prices in the rest of the copper recovery program. For material purchased for remelting and reprocessing, the government will pay the following prices: 24¢ per pound for tubing under ½ in. in diameter; 18¢ per pound for tubing ½ in. and over—both f.o.b. point of shipment. (Utilities Order U-1.)

Bicycle Inventory

In view of the rapidly diminishing stock of bicycles in the country, OPA is requiring all dealers and distributors to report on OPA Form R-707, the number of new adult bicycles in each of their places of business at the close of business on August 22, 1943; such inventory is to be sent to the Central Inventory Unit of OPA, New York City. Because of the difficulty of delivery, the amendment also permits War Price & Rationing Boards to extend the validity of bicycle purchase certificates beyond the present 30-day period. (Amendment 10, Revised Ration Order 7.)

Dairy Products

An OPA action eliminating grade labeling requirements for butter (formerly cartons containing butter of 93 score or Grade AA had to be so marked) also creates new maximum prices for sales of butter by creameries in New Mexico, Colorado, and Wyoming. Changes in ceilings are nowhere as much as 1¢ a pound and are made to allow for the wide variation in railroad freight rates, on which maximums were formerly based. (Amendment 20, Regulation 289.)

Cordage

To increase further the supply of cordage fibers (BW—May 22 '43, p. 47), recent WPB action has been taken to allow two varieties of spinnable istle fiber—juamave and pita—to be blended with sisal in the manufacture of rope. Unspinnable waste istle is excluded from the order. (Order M-138, as amended.)

Other Price Actions

Denatured edible lard to be used in making wartime soap has been given maximum prices which will be the same as those for edible lard that is not denatured, through OPA's Amendment 3, Regulation 53. Amendment 8 to Regulation 301 establishes retailers' ceilings for the first time for hospital-grade hot water bottles and combination syringes made of synthetic rubber at levels in line with prewar prices for the same grade when made of crude rubber.

Other Priority Actions

Industrial users of crude edible oils allocated under Food Distribution Order 29 (cottonseed, peanut, soybean, and corn oils) are now required to name the end use of the finished product and give other specific information to the Chief, Fats & Oils Branch, War Food Administration, at Washington, before producers are authorized to make deliveries.

ar use is
not be mo
the gov
ces in ch
ery prog
remelting
will pay
d for tub
er pound
f.o.b. pos
r U-1.)

shing sto
A is requ
to rep
er of ne
r places
ss on Aug
to be se
t of OP
ne diffic
so perma
rds to es
rchase te
day perio
Order 7

rade lab
rly cartm
Grade Al
eates no
butter b
rado, and
e nowhe
le to allow
nd freight
formation
ion 259

of cont
recent
flow two
-juamave
il in the
le waste
(Order

in mak
maximum
those for
through
53. . .
establish
for how
l com
rubber
for the
bber.

ils allo
ler 29
m oils
use of
specific
k Oils
m, at
author

1943



Buy War Bonds and Stamps

No Achilles Heel

This slashed-in-two Flying Fortress* theoretically should not fly. There had been stiff fighter opposition. In the melee, a Messerschmitt, crazily out of control, crashed into it.

The German plane was destroyed on impact. The Fortress' fuselage was ripped diagonally from top to bottom. Control surfaces were carried away. The tail gunner, suddenly imperiled in his wobbling section, crawled forward over the narrow floor structure that held the parts together. And the Fortress flew steadily for an hour and three-quarters—back to her base for a perfect landing!

Often the question is asked about Boeing Fortresses: "How can they do it?" One Fortress came home with 2000 bullet holes, and with big areas of both wing sections shot away. Another had a hole in the fin "large enough for the navigator to walk through." Others have come in with rudder and elevator controls sheared by gunfire.

How can they do it?

One reason is Boeing design. The Fortress has no Achilles heel, no highly vulnerable spot for the enemy to attack. No single structural member has to carry the entire load for its section; even when

large portions of the plane are badly damaged, the Fortress usually is strong enough to remain aloft, fight off its enemies, and return home.

There are other reasons, of course—many of them. But they all stem from what has been termed the integrity of Boeing products. Soundly and conservatively engineered, honestly built, these products always have done more than has been expected of them. True today, it likewise will be true in peacetime tomorrow . . . if it's "Built by Boeing" it's bound to be good.

DESIGNERS OF THE FLYING FORTRESS • THE STRATOLINER • PAN AMERICAN CLIPPERS

*THE TERMS "FLYING FORTRESS" AND "STRATOLINER" ARE REGISTERED BOEING TRADE-MARKS

BOEING

LABOR

Miners Get a Lift

U.M.W. Journal breaks union's silence on indictments with blast at Connally-Smith prosecutions in Pittsburgh.

The United Mine Workers of America is out to pull the teeth of the Connally-Smith War Labor Disputes Act, which was aimed at the union's president, John L. Lewis, but instead trapped 30 of his followers for provoking wartime strikes.

A silence maintained by Lewis' union since the 30 members were indicted by a federal grand jury in Pittsburgh last month (BW-Jul.31'43,p17) for promoting wildcat coal walkouts in violation of the controversial law was broken by the U.M.W. Journal in a bristling attack on the indictments and the Connally-Smith Act.

• **Joint Counsel**—A former Pittsburgh congressman, Harry A. Estep, retained by the indicted miners as their attorney, has challenged the constitutionality of the statute for the first time and seeks to have the indictments quashed. Estep admits the indicted miners were advised to go to him as their counsel, but he declines to say who did the advising. The Journal's bitter attack and the

coincidence of 30 miners' picking the same attorney leave no doubt that Lewis' union will observe its traditional policy of taking care of its members.

The Journal brands the indictments as "the first hunting party and big kill under the design of the Smith-Connally un-American prescription for shackling American labor." It adds that "the American labor movement, with the miners out in front bearing the brunt of the fight, as usual, is faced with the un-American penalties of an un-American legislative act," whose provisions, "if literally applied, constitute an enslavement of American workers."

• **Defiance Overlooked**—The Journal article doesn't mention that the accused men remained on strike after U.M.W. leaders on June 22 ended the third nation-wide coal walkout by ordering a truce until Oct. 31 in the deadlocked wage negotiations. But from "newspaper accounts," the Journal deduced that the miners' refusal to work was predicated upon their belief that the government failed to take over the mines physically May 1, and the operators continued to manage the properties.

The Journal blamed the "directing forces of U. S. Steel" for a "conspiracy" to prevent commercial coal operators from negotiating a wage agreement because captive mines now are unionized, and steel companies, mindful of the importance of coal in producing wartime

steel, would be forced to accept the contract approved by the commercial mine.
• **Constitutionality Challenged**—In entering pleas of innocence for his clients, Estep filed a motion to quash the indictments. Supporting this motion with arguments before Judge F. P. Schoenmaker in the U. S. District Court at Pittsburgh, Estep contended the Connally-Smith Act violates the first and thirteenth amendments to the Constitution guaranteeing freedom of speech and the right to assemble peaceably and banning involuntary servitude in the United States. Estep argued that President Roosevelt had no authority to permit the government to take over the nation's mines.

Lewis Strategy

Miners' boss is believed to see big chance for District 50 resulting jurisdictional trouble blocks his reentry into A.F.L.

The same pro-Roosevelt forces that blocked John L. Lewis' reentry into the American Federation of Labor at that body's executive council meeting in Chicago last week will keep him out at the A.F.L. convention in October unless the unpredictable boss of the coal miners turns more tractable meantime.

• **Boundary Dispute**—The trouble is over Lewis' District 50 of the United Mine Workers. This catch-all union, a miniature labor federation in itself, now



Still in the hair of the A.F.L.'s executive council is John L. Lewis. Declining to discuss dissolution of his miners' District 50, the catch-all union, Lewis was refused readmission to the A.F.L. fold; and he shows no

indication of changing his mind. Among council members who met in Chicago are: (standing, left to right) William Doherty, letter carriers; William Birthright, barbers; Edward Flore, restaurant workers; Felix

Knight, railway car men; Harry C. Bates, bricklayers; Matthew Woll, engravers; (seated) George Meany, treasurer; William Green, president; William Hutcheson of the carpenters who was Lewis' sponsor.

Send for this Free Folder

Shows how to produce sufficient copies of invoices, shippers and packing lists . . . from a single writing

With Mimeograph stencil duplication, you can have new speed and surer control of your shipping and billing procedures. All the paper work needed to ship and bill merchandise can be produced from a single writing!

Just write a Mimeograph brand stencil *once* (with tabulator, addressing equipment or typewriter) and in a *moment's time*, the Mimeograph duplicator produces the required number of copies of invoices, shippers and packing lists—even receiving and accountability reports where needed.

Large and small plants all over the country have welcomed this advanced single-writing method.

- *It eliminates many possibilities of errors.*
- *It saves time wasted on rewritings.*
- *It helps assure shipment of correct merchandise in the right quantity.*

Moreover, all copies produced are permanently legible. They will not smear or smudge with the roughest handling.

For your convenience, the folder, "Speedier Shipping and Billing Procedures," explains this method in detail. It is yours without cost or obligation. Send the coupon below to A. B. Dick Company, Chicago.

**Speedier shipping and
billing procedures**

How shipping and billing procedures can be handled in less time, with fewer errors . . . by the POSITIVE CONTROL, SINGLE-WRITING METHOD . . .

A. B. DICK COMPANY · CHICAGO

**Mimeograph
duplicator**

MIMEOGRAPH is the trade-mark of A. B. Dick Company, Chicago, registered in the U. S. Patent Office.

A. B. Dick Company, Dept. R-843
720 West Jackson Boulevard, Chicago 6, Illinois
Send me a free copy of the folder, "Speedier Shipping and Billing Procedures."

NAME

COMPANY

CITY STATE

Copyright 1943, A. B. DICK COMPANY

THE STANDARD OF SPEED AND LEGIBILITY IN THE ONE-WRITING SYSTEM

WHAT MAINE OFFERS



THE WOODWORKING INDUSTRY

Maine's tremendous, easily accessible supply of hard and soft wood has made it a national leader among woodworking states.

Maine plants produce long lumber, woodturnings, furniture, boats, plywood and veneers. These plants draw on 15,000,000 acres of forest, operate on low-cost electric power, and enjoy unexcelled transportation facilities for both raw material and finished products.

Besides, Maine offers skilled, industrious labor . . . low taxes, and a State Commission to give you every aid, including assistance in selecting available plants and plant sites.

These are only a few of Maine's advantages. The brochure, "INDUSTRIAL MAINE," is packed with facts, figures. Send for your free copy today. It will help you plan profit production — now and after the war.

Write: Maine Development Commission, Room 8-B, State House, Augusta, Maine.



dips into railroad shops; cosmetic factories; vinegar works; gas, coke, and chemical plants; restaurants; dairy farming; and such jealously guarded A.F.L. provinces as building construction and metal shops.

The committee which A.F.L. sent to arrange the Lewis homecoming had to report to the council that he refused flatly to settle jurisdictional problems created by District 50 (BW—Aug. 7'43, p64). Hence the council ruefully turned down the application for readmission and returned U.M.W.'s \$60,000 check for 1943 dues.

• **District 50's Big Chance**—Labor leaders, seeking reasons for Lewis' change of heart and his decision to go it alone, at least for the time being, hit on the Connally-Smith Act. They feel the law's operation promises District 50 a big chance to increase its scope and importance, pointing to the first strike vote under this law in which District 50 overwhelmed a C.I.O. union which had a contract with Allis-Chalmers (BW—Aug. 14'43, p79).

A.F.L. and C.I.O. policy for the moment calls for no more active action than speechmaking in opposition to the government's wage stabilization program. District 50's opportunity, observers believe, is to capitalize militantly on rank-and-file resentment toward this mild policy.

Training Spreads

WMC shapes its plans to handle almost ten million trainees in the next twelve months. NYA chief may make comeback.

To meet war manpower training needs the War Manpower Commission's Bureau of Training has geared its commission in the year beginning July 1 to an anticipated enrollment of 1,300,000 inexperienced workers not now employed, 7,500,000 employed workers, and 1,000,000 agricultural workers. Coverage covers pre-employment training, supplemental training of employed workers, training of supervisors and foremen, job instruction, job methods, and job relations, and the training of technical and professional workers in many lines. This program has become the biggest educational job ever undertaken, outside of the military services themselves.

• **All under WMC**—First in the field when war's impact on industry made itself felt in 1939 was the Office of Education. The War Manpower Commission took a hand in April, 1942. The entire training program has now been set up under the WMC's Bureau of Training. The National Youth Admin-



HANDICAPPED HANDY MEN

In a Colorado war plant, a one-armed chipper (left), a partially disabled welder (right), and a one-legged tool keeper (right rear, with works superintendent) are convincing proof that handicapped workers are earning their way in industry. Employed by Den-

ver's Thompson Pipe & Steel Co., all work full time on plates for West Coast shipyards; all draw praise from the management which hired its first handicapped help two years ago. They and some 150 other Denver workers were trained in a joint federal-state rehabilitation school which prepares disabled workers for various vocations.

SUBCONTRACTS LIMITED

In a move to implement federal policy, which calls for confining new war production to areas where manpower shortages are not already a problem, prime contractors were being instructed this week by five government procurement agencies not to let subcontracts in tight labor markets.

A joint letter issued by the War, Navy, and Treasury departments, the Maritime Commission, and the War Production Board told prime contractors to study the classification of population centers established by the War Manpower Commission (BW-Aug.7'43,p72) and place subcontracts in accordance with the following principles:

(1) Avoid as far as possible the placement of subcontracts in areas classified by WMC as Group I (55 areas of acute labor shortage).

(2) Place in areas classified as Group II (111 areas of expected labor shortage) only subcontracts for the continuation of production of items of the same character as those already being produced, provided that no labor is required in addition to that currently employed by the subcontractor.

(3) Place in areas classified in Group III (81 areas where labor shortages are expected after six months) only subcontracts which can be completed within six months and which will not require the employment of labor in addition to that normally or currently employed by the subcontractor.

(4) Distribute subcontracts so as to utilize as widely as possible the facilities of concerns located in Group IV communities (88 areas where labor supply is adequate).

Administration also tried to get a new lease on life by promoting war-training courses but lost out recently in a bitter congressional battle. One vote would have meant victory for the NYA forces, but few tears were shed in WMC and OE. It is rumored that Aubrey Williams, director of NYA, will take over WMC's Bureau of Training.

At the outset, training for war industry put the emphasis on refresher courses which quickly fished men with skills out of the pool of unemployed formed during the depression years. By 1941, those unemployed without technical training were generally recruited and put to work on production lines. Early in 1942, the depletion of the male reservoir by the military caused employers to turn to women. To meet the new situation, the vocational schools prepared 1,000,000 women for industry. Today the trade school enrollments are 50% female,

and they may rise to as high as 70%.

• **Squeeze Is Coming**—Labor reserves, besides women, exist in peacetime industries that are not yet squeezed as hard as they are going to be. High schools are turning out seniors—both boys and girls—who got their first jobs this summer. Handicapped persons and some hitherto considered too old are now being hired, and the job of teaching the new recruits and advancing those already on payrolls is the responsibility of federal and state agencies that aren't yet pulling together in harmony.

The Office of Education feels that it can stand on its record. It expects to have 3,000,000 students in its vocational schools this year. It spent \$104,000,000 on training courses last year (exclusive of huge sums for teachers and equipment raised by state and local groups).

• **Almost Five Million Trained**—Since July 1, 1940, OE's vocational schools have trained 4,725,873 persons; in April they had 257,225 enrollments. The cumulative total was made up of 1,232,035 in aviation services, 987,228 in machine shop skills, 741,950 in shipbuilding, 386,719 in welding, and the others in ordnance, radio, automotive, and other work. Women totaled 741,322 of the number, Negroes 206,835. In the same period the late NYA processed 311,000 youths.

Industry, in general, has liked the OE vocational schools. More and more, industry is putting employable recruits on the payroll and sending them to schools for training. Sometimes industry supplies the equipment, but usually the states and local communities plan the program, hire the teachers, buy the machines, and run the schools.

• **WMC Trains Foremen**—But industry also likes WMC's offerings as shown by the 367,000 foremen and supervisors (BW-Mar.15'41,p76) who attended Training-Within-Industry courses in 1942. These ten-hour courses for supervisors and 32-hour courses for directors are largely the work of two men lent by industry—C. R. Dooley of Socony-Vacuum and Walter Dietz of Western Electric.

TWI has three little cards the size of playing cards on which are printed the four steps in instructing workers, the four ways of handling a problem, the four steps in improving job methods. Experience has proved them aces.

• **Ready to Walk Alone**—Once the four steps of (1) preparing the worker, (2) presenting the operation, (3) trying out the performance, and (4) follow-up have been mastered, TWI assumes that its learners are ready to walk alone. Letters from Picatinny Arsenal, Ford Motor Co., Douglas Aircraft, and others support this. As of June, 1943, a total of 11,482 companies employing over 10,000,000 workers had asked for TWI services, and TWI had trained and certified 665,000 supervisors.



Will This War Be Won IN 1944?

If you're a war product manufacturer, you'd give a lot to know the answer to that question. So would many other people.

Whenever the war ends, will your peacetime products find a peacetime market ready and waiting? Or will you have to start from the bottom of the ladder, to win friends and customers all over again?

Such a disastrous contingency may be guarded against—in a simple, inexpensive manner. Here's what to do: don't lose contact with the peacetime customers you'll want and need some day. Keep your name glowing in their minds! Keep in touch with them constantly... with the kinds of news bulletins, booklets and folders that will be read and remembered!

Your printer can help you plan printed salesmanship like that. Especially if he is equipped with the Nekoosa Bond Plan Book. Ask your printer to show you this Plan Book—an unusual portfolio that's jam-packed with plans for getting more results with less paper, from all your printed pieces and business stationery.

Specify Pre-Tested Paper

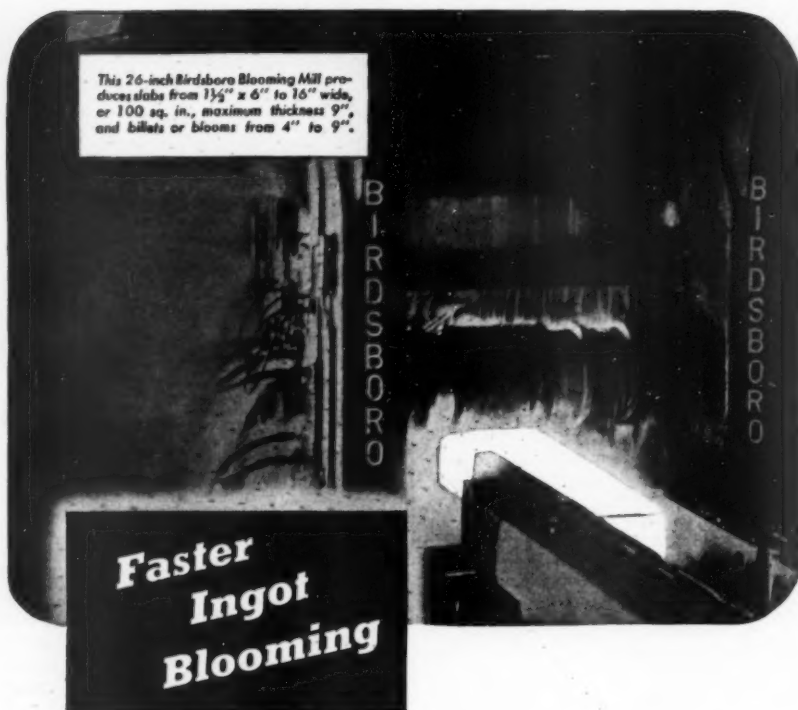
To carry out your printer's plan most resultfully, print it on carefully selected paper. Nekoosa Bond is just that kind of paper... thoroughly dependable because it's pre-tested for all qualities that spell success in the pressroom and in daily performance in your business. Get all the facts from your printer... soop!

PAPER HELPS TO WIN

We're glad to be supplying many a ton of specialty papers to a fighting America. And we're glad to report this is being done without altering the high quality of Nekoosa Business Papers.



One of the Pre-Tested Business Papers manufactured by the Nekoosa-Edwards Paper Company, Port Edwards, Wisconsin. Companion papers are JOHN EDWARDS BOND, NEKOOSA MIMCO BOND, NEKOOSA DUPLICATOR BOND and NEKOOSA LEDGER.



with Birdsboro Rapid Two-High Reversing Blooming Mill...

for blooming ingots of mild, tool, non-corrosive, automotive, aircraft and special purpose steel

to square, round and rectangular blooms and slabs

with the proper reductions required by the various grades of metals

within time limits the rolling temperatures permit.

Special features of this Birdsboro Rolling Mill—quick reversing, fast screw-down and rapid manipulation—provide the exceptional speed that is demanded by war-pressed production. Yet their low installation cost, low maintenance cost and low power consumption assure the economy that will be needed after Victory is achieved.

If yours is a rolling problem—or either the present or future—it will pay you to consult Birdsboro.

BIRDSBORO STEEL FOUNDRY AND MACHINE COMPANY
Birdsboro, Pennsylvania

BIRDSBORO
STEEL MILL EQUIPMENT

Women Drop Out

They're needed at home to care for the children during vacation, so the lady riveters are leaving the aircraft plants.

Serious losses of womanpower hit Los Angeles aircraft plants with the coming of school vacations, and after a survey, the West Coast Aircraft War Production Council put the peril into statistical form.

One child-care center enabling 40 mothers to work full shifts adds up to 8,000 man-hours a month; in ten weeks, equal to one four-engine bomber.

Lack of 25 child-care centers can cost ten bombers a month.

• **Need 197 Centers**—Plane plants in the area now employ more than 101,000 women who have 19,000 children needing care while the mothers work, a job for at least 197 centers. The Los Angeles Board of Education operates 21 centers, plans 29 more, enough for 2,000 children in the two-to-four age group, but 8,000 such children need care in order to release enough mothers for aircraft requirements.

Of each ten new employees hired, six are women, the rest largely young men or boys working brief periods—going back to school or into the armed forces. By December, all but a fraction of men 18 to 25 will go to the services; by next July all but a fraction of the 26-to-35 group. By next December, at least 112,000 women will be employed 800,000 man-hours daily—equal to 40 four-engine bombers daily.

• **Fund Application Pending**—Child-care centers established or planned do not provide for children under two, who are 8.3% of the total, nor for the 5-to-16 group. For the 2-to-4 and 5-to-16 groups alone, 197 centers are needed now; 220 will be needed by December. Applications for Lanham Act funds (BW—May 22 '43, p40) to provide 50 centers in Los Angeles are still pending. The Lanham Act set up funds to assist local communities in gearing for the war effort.

The Los Angeles Board of Education staff is reported as feeling that the Lanham Act is too inflexible, provides inadequate financing, restricts child-care staffs to the point where medical and nursing supervision is not possible, sets fees too high for working mothers, makes no provision for either evening or 24-hour care, and sets up obstacles to employment of child-care staffs by imposing long hours, 6 a.m. to 6 p.m.

• **Douglas Claims Most Women**—Particularly interested in stepping up child-care facilities is Douglas Aircraft Co. which recently announced it is now the largest private employer of women in

NEW PRODUCTION RECORDS WITH

DITTO *Business Systems*

Trade Mark Reg. U. S. Pat. Off.



**"DITTO HELPED US
SET NEW RECORDS
IN GLIDER
PRODUCTION"**

GIBSON REFRIGERATOR COMPANY

In great plants everywhere, geared to war production, where the "impossible" is a daily accomplishment—there you'll find Ditto Business Systems contributing to speed and error-proof accuracy . . . to smoother operation . . . to greater efficiency and the important savings of vital time!

Indeed, every ship to slide down the ways of America's largest shipyards . . . every combat plane; every tank, bomb, glider and other war-tool manufactured today in the United States is speeded to the front *faster* with the accurate aid of Ditto!

Ditto One-Typing Systems can carry the load in every phase of your operation—*Production—Purchasing—Order-Billing*. Extra hours added—and accuracy assured! Write today for free samples showing how Ditto One-Typing Business Systems work!



PRODUCTION—Save up to 36 hours getting orders into shop!

PAYROLL—Obtain all records from one single writing!

PURCHASING—Get raw materials into your plant 10 days faster!

ORDER-BILLING—Eliminate 90 per cent of all typing!

DITTO, Inc., 676 SO. OAKLEY BLVD., CHICAGO 12, ILL. • Manufacturers of Business Machines and Supplies

Business Week • August 21, 1943

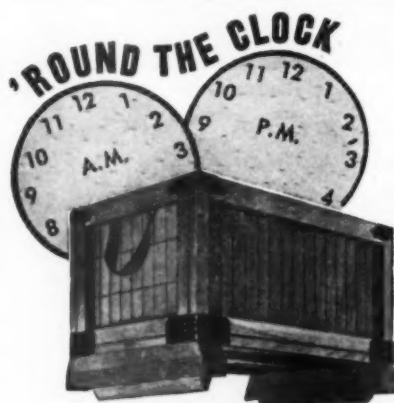


HOOPERWOOD COTTON DUCK

Since 1800 (through six wars) the HOOPER name has symbolized highest quality in Cotton Duck and other Heavy Cotton Fabrics, Paper Mill Dryer Felts, Filter Cloth, Rope and Sash Cord

**WM. E. HOOPER
& SONS CO.**

New York • PHILADELPHIA • Chicago
Mills: WOODBERRY,
BALTIMORE, MD.



SCHEDULES WON'T TIRE A LEWIS SKID BOX

See the sturdy frame . . . the armored corners that prevent wear and strain . . . the woven wood and wire panels that provide resiliency . . . the specially constructed skids that allow fast, safe stacking with a power lift truck.

Those are the reasons why the Lewis Skid Box will stand up . . . even when working all shifts.

Write today for information on how you can use Lewis Skid Boxes, Stacking Boxes and Trays, and Box Trucks in your war production.

G. B. LEWIS CO., Dept. W-8, Watertown, Wis.

LEWIS
INDUSTRIAL CONTAINERS

the nation. In a report to Donald Douglas, president of the firm, S. O. Porter, Douglas personnel director, revealed that women comprise 59% of shop personnel in one of the company's largest assembly plants. This compares with a national aircraft average of 33% according to estimates of the War Manpower Commission.

Union in Soup

Campbell's fear that dues buttons would contaminate the product ignored by NWLB in m. of m. order.

Early last spring, the Campbell Soup Co. took steps to guard against the possibility that customers one day would dredge up out of the alphabet soup a combination of letters spelling United Cannery, Agricultural, Packing & Allied Workers (C.I.O.).

• **Contamination Feared**—The company fired four union stewards who reported for work at the Chicago plant wearing union buttons and who refused to lay aside the emblems. Other employees disagreed with the company's argument that the buttons might fall into and contaminate the soup, and they went on strike.

The issues came to light when the Chicago regional office of the National War Labor Board intervened to end the strike and start the case on its way to adjudication before NWLB.

• **Compromise Rejected**—In a hearing before the board panel assigned to the case, the union, which demonstrated its majority status at the plant, offered to give up buttons and provide insignia to its members which would be sewed on clothing at union expense. The company refused the offer and declared that it would even discharge an employee who would tattoo a union symbol on his forehead. The panel reported to the board that, in its opinion, the company's objections did not rest solely on the fear of food contamination.

Finding Campbell's attitude on buttons "quite unreasonable," NWLB brushed aside the company's contention that the strike demonstrated irresponsibility and disqualified the union for a maintenance-of-membership contract. M. of m. was ordered in an effort to "help to eliminate" feelings of distrust between the union and the company.

• **Clause Retained**—NWLB let stand the concluding section of the panel report in which the membership-maintenance award was recommended because "it may tend to eliminate the union's fear of union-busting and may quiet somewhat the union's feeling of a need for pugnacious militancy in order to combat that fear."



JUNGLE WAGE RATES

White man's money means nothing to natives on remote Pacific isles and in Australia's fuzzy-wuzzy country; black rope chewing tobacco is something they can sink their teeth into. So the Food Distribution Administration ships between 20 and 30 tons a month to Aussies and Yanks in Australia for purposes of barter. In New Guinea, the Solomons, and New Georgia, chewing tobacco has become the medium of exchange, a 7-in. stick buying a native's work day.

BREAD ON THE WATER

What is believed to be a unique experiment in the promotion of safety among workers is being carried out by the Jewell Ridge Coal Corp., operating two mines in the western Virginia coal field.

The company is a self-insurer under the Virginia Workmen's Compensation Law and, over a period of years, has found that its compensation cost has averaged 3¢ a ton of coal mined. The company proposed to its workers early last year that if they were able through avoidance of accidents to reduce compensation costs below 3¢ a ton, the company would pay the amount of the saving to an employees' mutual benefit association.

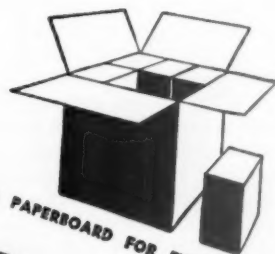
During the first period of operation under the plan, the last eight months of 1942, the workers at the Jewell Valley mine succeeded in reducing their compensation costs, earning, as a result, \$3,995 for their benefit fund. The workers at the Jewell Ridge mine were not entitled to payments covering the 1942 period, since compensation exceeded the 3¢ average of preceding years.

SPECIAL DELIVERY—VIA PAPERBOARD!

• The Marines land where they want to—port facilities or no, and supplies have to follow them right onto the beaches. Often supply cases are tossed off the ships and allowed to float to shore in the surf!

• We helped the Marines develop a *paperboard shipping case* that thrives on wave-crest shipment, delivers the goods intact and dry

• And that is only one of thousands of specially developed war packages that have come out of Container Corporation laboratories in the last couple of years. A number of them are illustrated in our booklet, "Paperboard Goes to War," offered without charge. Let us mail you a copy. Write or call one of the offices listed below.



EVERYTHING PAPERBOARD FOR EVERYTHING PACKED

CONTAINER CORPORATION OF AMERICA

General Offices: 111 W. Washington St., Chicago. New York; Rochester; Natick, Mass.; Philadelphia; Akron; Cincinnati; Cleveland; Circleville; Detroit; Indianapolis; Wabash; Carthage; Anderson, Ind.; Peoria; Rock Island; Minneapolis; Baltimore; St. Louis; Fernandina; Dallas; Ft. Worth

MARKETING

Hope for Washers

Manufacturers' appeal to WPB aimed at loosening bonds on washing machines to breast the tide of obsolescence.

White hope of washing machine manufacturers, whose newly appointed advisory committee will appear before the War Production Board next week, is that the current congestion in commercial laundries (BW—Jun. 12'43, p. 38) will prompt WPB to let them make a limited number of domestic washers.

• **Three-Fold Protection**—Their appeal may follow the lines suggested in the report of the postwar planning committee of the American Washer & Ironer Manufacturers' Assn. at its June convention. If so, it not only will seek to establish "the public's case as it affects the washing and ironing machine industry," but also will ask three-fold protection for the industry:

(1) That Victory models be avoided as "undesirable, uneconomic, and unjustified," leaving the choice of suitable models to each manufacturer's judgment.

(2) That allocation of materials be made among manufacturers according to the same "exit ratio" that governed their conversion to war production, "regardless of their present ability to produce or distribute."

(3) That no allocation of raw materials be made for making washing machines to any company "which was not making washers during the period of conversion to war production, until all present washer and ironer manufacturers have had all procurement restrictions removed and are able to get all the materials required."

• **"Wonder Boys" Feared**—The third recommendation reflects rumors that "wonder boys" like Henry Kaiser and Jack & Heintz will enter the home appliance field after the war. Galvin Mfg. Corp. (Motorola) is reported investigating home washers, among other things, as a possible postwar product.

Even if WPB releases some materials for washing machines (the case for ironers may be more difficult to prove), eager housewives will have to be patient at least until mid-1944. Allocations, if any, probably would not be received before the first quarter of 1944, and manufacturers' delivery estimates vary from a few weeks to six months after materials are received.

• **Demand Is Brisk**—But the industry should have little difficulty finding evidence of the current need for home washers. A dealer survey recently conducted by one manufacturer revealed that floor stocks of the 1,091 reporting stores totaled 416 washers of all makes:

9 new electric washers, 2 new gasoline washers, 344 used electric washers, and 61 used gasoline washers.

The total number of calls received by the same dealers for machines was 124,161 (allowance should be made for duplication since any given prospect might be listed by more than one dealer).

• **Prewar Sales**—The advisory committee may hark back to prewar buying habits to show the present need for washers. For example, a 1937 survey by McGraw-Hill's Electrical Merchandising indicated that 76.87% of the higher-priced washers were purchased by medium income families, 14.87% by well-to-do families, 8.26% by low income families. Had the study been made either in the lush 1920's or in early 1942, the percentage of machines going to the lower income group would have been much higher, since it is the first group to buy washers when it gets a little extra money.

Evidence of today's potential market for washers is the difference between 1936's sales high of 1,528,585 electric washers and 1942's total of 448,501—a low the industry had not experienced since 1922, when the figure was 433,000. When production of washers was halted in May, 1942, the government estimated that 700,000 washers would

go out of service by the end of the year. • **Dealers Hanging On**—That obsolescence rate, possibly greater than normal because of the extraordinary use today's fewer washers get, is the thing that keeps dealers in business. Last January, Electrical Merchandising estimated that 19.44% of the country's appliance dealers (practically all of whom handle washers) had gone out of business in 1942 and expected 30.28% of the remaining ones to fold in 1943.

The actual mortality has been less than this—chiefly because dealers are convinced that they'll enjoy a boom after the war. Hence they are making a desperate effort to hold customers, who are also their No. 1 postwar prospects.

Coal Guards Gain

Both the bituminous and the anthracite industries move to assure permanence of inroads into field of oil burners.

Ignoring the threat of John L. Lewis' delayed-action strike, whose time fuse is tentatively set for Oct. 1, coal interests are laying plans to capitalize the advantage dropped into their laps by fuel oil rationing. Newest combatant in behalf of solid fuels is the Bituminous Coal Institute, created early this month to do for soft coal what the seven-



FARMERS' SUPERMARKET

Farmers around San Francisco have found a place not only to dispose of fruit and produce the canneries can't handle because of labor shortages, but also to net better than government price ceilings in the bargain. The place: San Francisco's "free market," set up by the Victory Garden Advisory Council to bring fresh produce to the city. Two hours after its initial opening, milling customers had gob-

bled up 19 tons of pears and apples (pears bringing 4½¢ a pound, apples 3¢). One farmer discovered his truckload had sold for \$272, that his pears had brought \$90 a ton as compared with the government's ceiling of \$65 at the cannery. Word spread over the farms, and next morning more growers were on hand with a wider variety of stuff. But retailers, who were attracted by lower-than-wholesale prices, went away empty-handed, no match for shopping housewives.

the year
obsoles
in norma
today
ing the
January
ated that
nce dea
die was
in 1942
remaining

been less
alers are
om after
ing a de
who are
ects.

Gain
s and
ove to
roads

Lewis
e fuse is
interests
the ad-
by fuel
tant in
minous
month
seven-



apples
apples
truck-
pears
pared
of \$65
er the
grow-
variety
re at
prices.
match

1943

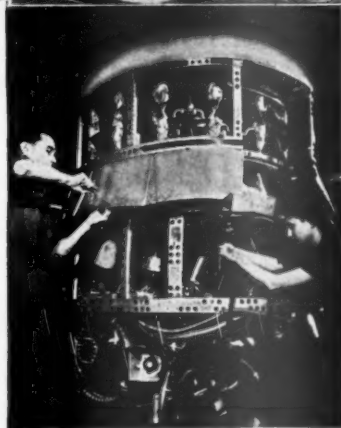


**1200 horses
get ready
to fly!**



ROHR

PARTS ☆ ASSEMBLIES



ROHR craftsmen bridge the gap between power plant and airplane with thousands of intricate operations which include both manufacture and assembly.

The painstaking precision of their work contributes to the stamina and reliability of many of America's famous bombers, cargo carriers and giant patrol planes.

Day and night on Rohr's production lines, huge motors move forward to meet the ever increasing tempo of the war's demands . . . a tempo matched by the high spirit of Rohr Production Fighters who know that speed in the factories saves lives at the front!



HELPING TO WRITE
THE STORY OF TOMORROW



ROHR AIRCRAFT CORPORATION • CHULA VISTA, CALIFORNIA

Business Week • August 21, 1943

Interested in Cleveland Business?

IN rendering a specialized commercial banking service over a long period of years, this bank has established business relationships with many firms in Cleveland and Northern Ohio's great industrial area. We may be well acquainted with the men you wish to contact... You are invited to write, wire or call upon us in Cleveland.

THE NATIONAL CITY BANK OF CLEVELAND

EUCLID AT EAST SIXTH
AND
TERMINAL TOWER



Member Federal Deposit
Insurance Corporation

year-old Anthracite Industries, Inc., has undertaken to do for hard coal.

• **Promotional Job**—These organizations have no direct interest in wage disputes or in coal politics. Their job is to acquaint the public with the virtues of coal heat, to educate householders in proper heating techniques, to aid research in better combustion equipment for the home and commercial plant, and to widen the market for their product in any other possible way.

The Bituminous Coal Institute is sponsored by 35 mining companies producing 122,000,000 tons yearly, or 25% of the nation's soft coal total. Its president is C. C. Dickenson, who is also president of the National Coal Assn. The institute is too young to reveal detailed plans of its campaign, but its objective is plain enough: It will seek to recover from its petroleum competition both home and industrial customers by countering the oil burner's advantage of automatic operation and freedom from ash.

• **Stokers Advocated**—Costs are in favor of coal, and the electric stoker helps overcome the convenience argument. (The War Production Board stopped the manufacture of coal stokers for the home long since; commercial and industrial stokers are still made on priority orders.) Stoker manufacturers are working on armament contracts and are aiding the government in the solution of heating problems for both war housing and war plants. From such experiments, the stoker people are learning things that can be applied to the improvement of their postwar apparatus.

Makers of stokers for both bituminous and anthracite are busy on research for peacetime products, but they are keeping these activities under wraps. For one thing, they don't want to tip off rivals as to what they are doing. Also they don't want to get the public excited over improved equipment that cannot now be manufactured, and again, many of the projects are still in the preliminary stages.

• **Intend to Retain Gains**—The mining industry's experimental work centers in Bituminous Coal Research, Inc., and in the Primos (Pa.) laboratories of Anthracite Industries. In the past six months, Anthracite Industries has tripled its personnel, proof that it is going to battle to hold the estimated 2,000,000 to 3,000,000 tons annually which it gained through conversions from oil. The Primos laboratory staff also has been enlarged to 40 technicians.

Anthracite Industries' field staff instructs coal dealers in more efficient use of home furnaces or stoves so they can educate customers. Coal dealers troubles were aggravated last year when yard and maintenance men were drawn into military service just when they faced the difficulty of dealing with cus-



MILK WITH A MESSAGE

Instructions on the War Production Board's tin can salvage drive are being read in the most important place of all—the kitchen. Messages are being printed on paper containers of Sylvan Seal Milk, Inc., distributed mainly through supermarket chains in the Philadelphia area, and are a constant reminder to housewives. Meanwhile the salvage campaign has slowed in some sections because of citizens' reluctance in preparing cans for shredding, may fade out of its own accord within months—or as soon as old-type dipped cans vanish from grocers' shelves. Salvageable tin from cans plated by the new electrolytic process is negligible.

tomers who had converted from oil, hence were unfamiliar with how to feed a coal fire.

• **Book on How to Do It**—Before the cold weather started last year, Anthracite Industries made a study which revealed that about 80% of customers' calls for service involved simple adjustments which the customer himself could make when properly instructed. To meet this, the institute prepared a "telephone service book" to be placed at the elbow of the coal dealer's telephone operator. It listed the commonest complaints and provided simple answers.

Still in the incubation stage is Anthracite Industries' advertising campaign for consumers. Its emphasis would be on conservation.

The coal industry isn't kidding it-



"FIRST AID" TO MILITARY VEHICLES

***RECOVERY, Rehabilitation and Maintenance of military vehicles in the field are tremendously important in any campaign. No army can afford the loss of the vast numbers of vehicles put out of action in every engagement. They must "live" to fight another day.**

But a military wrecker truck must possess prowess far above that of an ordinary truck. It must be able to go anywhere a tank or half-track can go—through mud, snow or sand. It must have unusual pulling and lifting power—and above all, it must have a degree of dependability that defies the worst terrain and the worst treatment.



That was one reason why one of our allies wanted Marmon-Herrington *All-Wheel-Drives*. They knew, from observation of the performance of these vehicles in their own country and throughout the Eastern

world, that Marmon-Herringtons have the ability and stamina required.

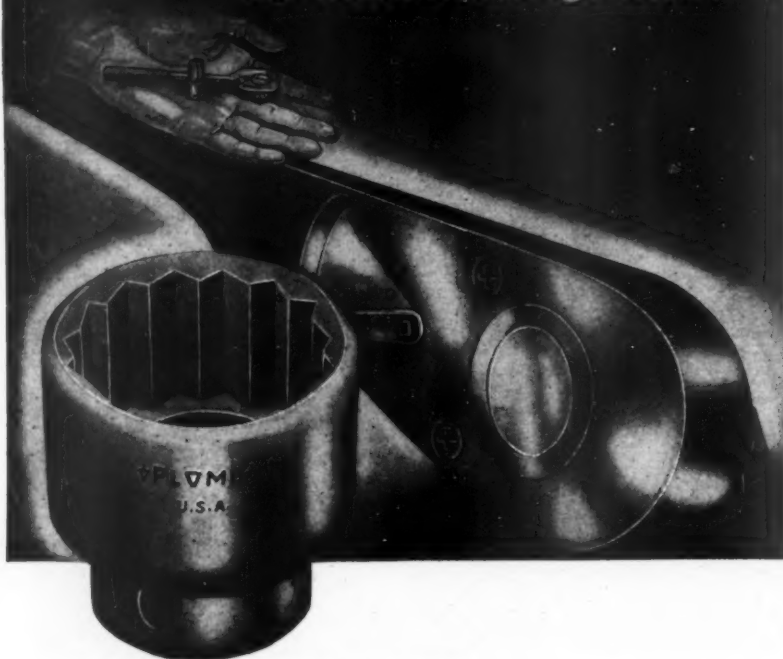
But they knew, too, that we could make a delivery promise, and keep it. As a matter of record, we shipped the entire order, a large fleet of these huge units, *six months ahead of schedule*. At the same time we were increasing our production of tanks and other military vehicles three times over last year's output.

But we are not content. We have a still bigger job to do, and it will be done. If all of us put our ideas, our energies and our money to the task, Victory may come sooner than we think. We, at Marmon-Herrington, will continue to do our part.

MARMON-HERRINGTON

INDIANAPOLIS 7, INDIANA

From mighty midgets
to industrial giants...



All are included in the Plomb Line

In Plomb's complete line of supreme quality hand tools for all industries, the socket and attachment group alone includes hundreds of kinds and sizes. Equally complete—equally outstanding in quality—are all other types of tools that bear the famous Plomb name.

Their excellence has made them the choice of professional mechanics—has resulted in such gigantic demand that 36 separate factories operate night and day to fill war needs. Thus, Plomb tools in ever-increasing volume are available thru dependable dealers all over the country to help make weapons faster and better—and to maintain those weapons at peak efficiency.

In addition, if you need special tools for special war needs consult Plomb. And remember, for regular tools call the Plomb dealer in your neighborhood.

▽ PLOMB ▽



PLOMB TOOL COMPANY
LOS ANGELES • CALIFORNIA

self into the belief that the fight to regain ground lost to oil will be walkover. Clean-burning qualities and laborless firing are potent persuasions. Appalachian Coals, Inc., prods its membership by citing a survey which indicates that 45% of home owners who expect to install automatic heating equipment after the war would like to have oil burners.

● **Another Competitor**—Another war involves natural gas competition. The completed Big Inch crude oil pipeline and the 20-in. petroleum product line now being built toward the East have been mentioned as carriers of natural gas to northeastern markets after war has released tankers for their former runs.

Facts on the Blue

Review of network's sale by FCC reveals rapid growth of income this year; E. J. Noble is listed as sole stockholder.

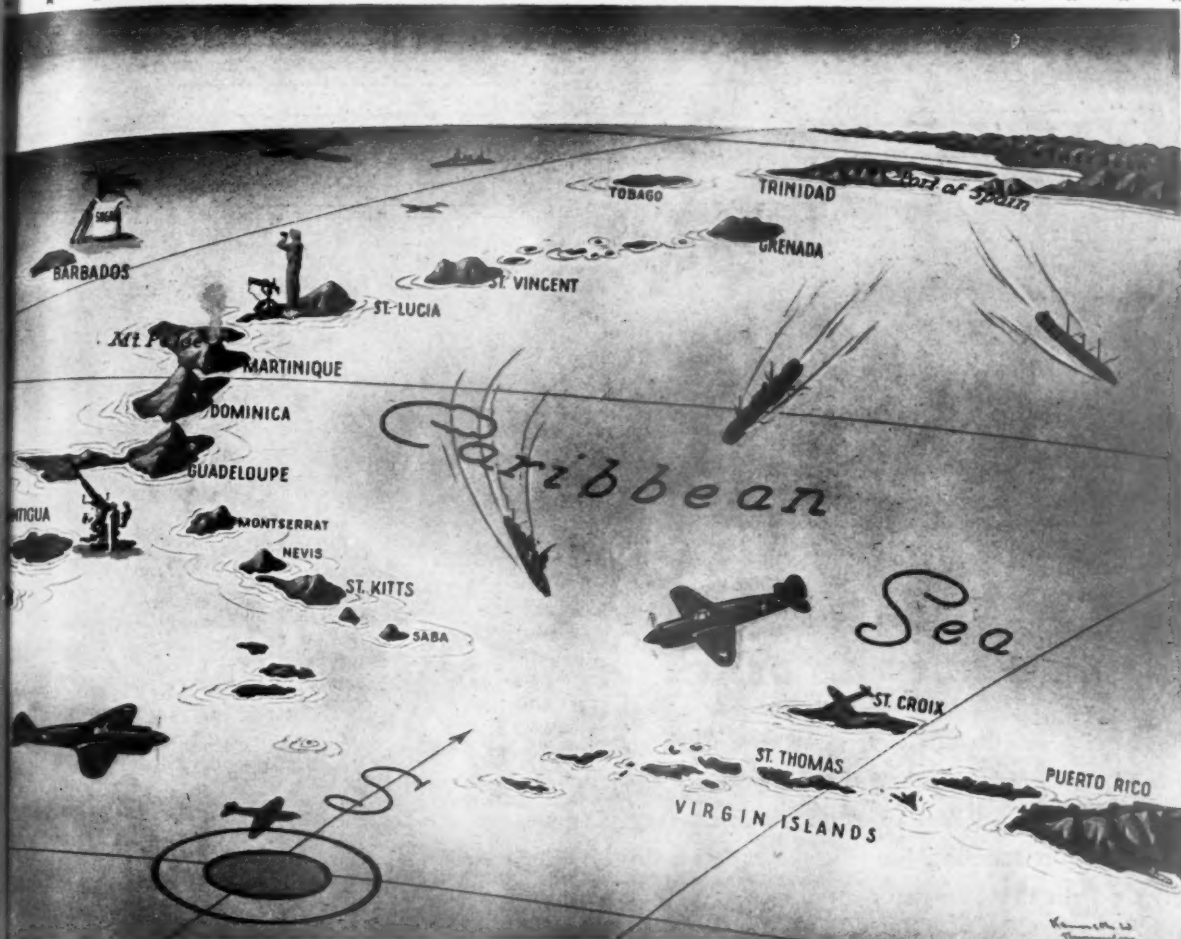
Like a father who pushes his daughter into matrimony, then holds up his consent until he has thoroughly investigated the qualifications of the prospective son-in-law, the Federal Communications Commission last week accepted for review a sheaf of documents applying for transfer of the Blue Network, Inc., from the Radio Corp. of America to the newly incorporated American Broadcasting System.

● **One Stockholder**—Edward J. Noble, announced purchaser of the Blue (BW—Aug. 7 '43, p. 78), owns all of the 400,000 shares of stock issued by ABS. The additional 100,000 of the 500,000 authorized shares remain in the treasury, and there has been no indication that this stock would be offered for sale. Noble personally put up \$4,000,000 in the transaction and borrowed the other half of the \$8,000,000 purchase price of RCA's No. 2 network from three New York banks, according to data filed with the FCC.

Other reports awaiting perusal by the law, accounting, and engineering departments of the commission document aspects of the transaction and the status of the network which heretofore have been subjects of conjecture in the trade. RCA's application for transfer of the Blue shows the original cost of equipment and real estate of the network's three owned and operated stations (WJZ, New York; KGO, San Francisco; and WENR, Chicago) to be \$856,623; replacement cost is put at \$998,343.

● **Big Income Jump**—As for the network itself, net income before taxes during the first six months of this year aggregated \$794,955 compared to only \$95,728 for the same period last year. After

★ ★ ★ ★ A WAR MAP OF THE CARIBBEAN FRONT ★ ★ ★ ★ ★



Pleasure isles . . . on the warpath!

Sweeping in a graceful arc from our own Virgin Islands down through phosphorescent seas to the coast of South America, are the romantic tropical isles of the Caribbean . . . only yesterday a favorite pleasure-ground of the Western World . . . today bustling with the grim, intense business of all-out war.

The entire area bristles with army installations . . . naval craft range the seas . . . patrol planes roam far out over the Atlantic. Behind the islands' protective screen, cargo ships shuttle back and forth with precious war materials . . . bauxite from Suriname, oil from Venezuela, an abundance of indispensable supplies from all over this rich territory.



But without the fine cooperative spirit that runs all through the islands, their strategic value would be seriously impaired. Despite severe hardships, food shortages, disruption of local industry . . . the proud island people are working hand in glove with us to forge an early victory, to build a better tomorrow.

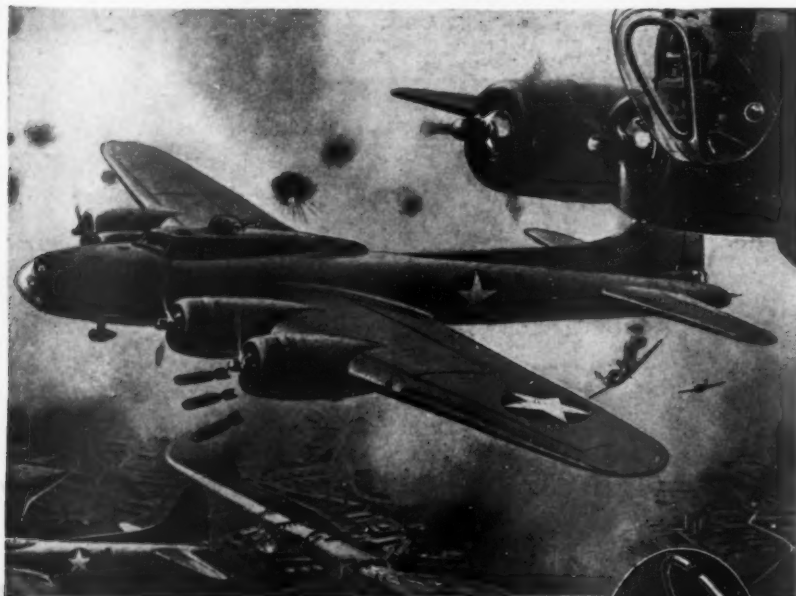
★ ★ ★

Today Alcoa ships are busy in the Caribbean and all over the world working for a United Nations' victory. When this all-important job is done, Alcoa will continue its regular service to our good neighbors of the Caribbean area . . . and their harbors will once again be fascinating ports of call.



Alcoa

ALCOA STEAMSHIP COMPANY, INC.
17 BATTERY PLACE, NEW YORK



WHEN INVASION BOMBERS DUMP CARGOES OF DEATH

• Four-motored birds of prey swarm high overhead . . . brush earth's blue dome with their tail-feathers . . . open their claws to hurl death and destruction on invasion-targets miles below. Timed to split seconds, they dare not miss a single wing-beat.

Flying with these invasion bombers are Pedrick *precisioneered* piston rings. They fly in another sense, too . . . back and forth on cylinder-walls, faster than eye can follow. Thanks to Pedrick's heat-shaping process, they retain their tension, dimension, and flatness, even when only $\frac{1}{16}$ of an inch wide!

In bombers, fighters, jeeps, trucks, half-tracks, or PT boats . . . wherever compression is of first importance and precision is a *must* . . . Pedrick rings stand up and deliver in battle. They also save oil and fuel on the home-front, as they deliver full power to essential trucks, buses, tractors, and passenger-cars. Put your faith in Pedrick! WILKENING MANUFACTURING CO., Philadelphia and Scranton, Pa. In Canada: Wilkening Manufacturing Co. (Canada), Ltd., Toronto.

Pedrick

precisioneered PISTON RINGS

HOARDING IS PATRIOTIC . . . PROVIDED YOU'RE HOARDING WAR BONDS

taxes, earnings totaled \$305,955 against \$52,628 in the first six months of 1942.

"Good will" for the network as a going concern was evaluated at over half a million dollars.

• **Perfunctory Review?**—Still forthcoming is Noble's formal statement of his announced intention to sell Manhattan's WMCA which he has owned since 1941. Since this ownership is regarded as the only reason for FCC hearings prior to approval, and since the commission has not scheduled hearings, some observers guess that FCC examination will be only a matter of legal and financial review.

Trouble over disposition of WMCA lies ahead for Noble, however, for this week Donald Flamm, former owner, brought suit to rescind the sale of the station to Noble, claiming that he was coerced into selling it in 1941.

MINERAL OIL WATCHED

The Food & Drug Administration is cracking down on substitution of mineral oil for vegetable oil in prepared salad dressings and other foods. The fats and oils shortage has brought on a rash of substitutions.

FDA regulations which require that mineral oil preparations carry a statement on the label that they are for special dietary use only are generally observed, but the same labels sometimes indirectly indorse the product for general household use. And, says Food & Drug, a lot of mineral oil dressing is finding its way into restaurants where consumers do not have the protection of labeling.

Objection to mineral oil in foods stems from various tests which show that it prevents proper assimilation of vitamins and minerals, possibly also of fats. The current experiments are designed to determine whether FDA should limit mineral oil to use as a drug.

KROGER TURNS TO DRUGS

The 3,100 retail outlets of the Kroger Grocery & Baking Co. in 19 midwestern states soon may have drug counters dispensing standard packaged and bottled items to customers. Chief stumbling block at present is in states like Illinois where there are laws prohibiting sale of drugs by anyone without a state license.

Kroger officials expect to meet stiff opposition from registered pharmacists who have tried guarding their profession against such inroads by getting state legislatures to pass laws against sale of drugs, even the patented kind, by department and grocery stores.

Cosmetics, men's toiletries, aspirin, milk of magnesia, and simple remedies are best sellers in the stores where the scheme has been tried.

again
1943
k as a
t over

thcom
of his
anhat
d since
garded
earings
mmie
some
nation
finan-

MCA
or this
owner,
of the
e was

ion is
min-
pared
The
on a

e that
state-
or spe-
y ob-
times
gen-
od &
ng is
where
ection

foods
show
on of
so of
e de-
FDA
as a

S

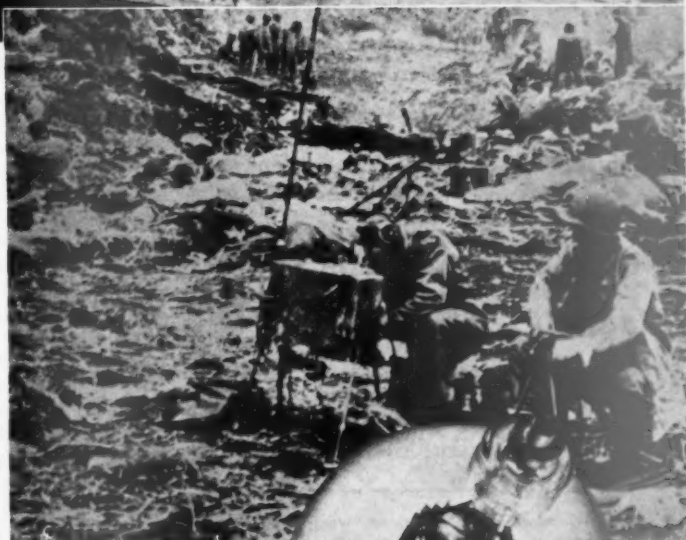
roger
west-
nters
bot-
tum-
like
iting
state

stiff
ncists
profes-
tting
ainst
kind,
s.
airin,
edies
the



the amateur is still in radio

He's not at his haywire rig in the attic...he's holding down key engineering spots in the laboratories, the factories, the army, navy and marine corps. Today the radio amateur is the top electronic engineer who is doing the impossible for his country and for the world. And why not?...the radio amateur has always done the impossible. He's the one who refused to obey the rules...demanded more and ever more from his "ham" rig. The equipment that he used...especially the tubes...had to have greater stamina and vastly superior performance capabilities. Thus the radio amateur literally forced electronics forward. For the products created to stand up under his gruelling treatment represented real advancement. Eimac tubes are a good example, for Eimac tubes were created and developed in the great amateur testing grounds. That's one reason why Eimac tubes have proved so vastly superior for commercial and war uses. Yesterday the leading radio amateurs throughout the world preferred Eimac tubes. Today these radio amateurs are off the air as amateurs but wherever they are, as the leaders in electronics, they're still using Eimac tubes.



Follow the leaders to
Eimac
REG. U. S. PAT. OFF.
TUBES



EITEL-McCULLOUGH, INC. • SAN BRUNO, CALIFORNIA
Export Agents: Frazar & Hansen, 301 Clay St., San Francisco, Calif., U. S. A.

IN THE Atlantic

the more war bonds you buy... the safer will be our supply lines to fighting fronts... so buy more!



IN St. Louis

the better you rest at night... the more efficient you'll be next day... so stop at



HOTEL

McEnnox

EVERY ROOM AIR CONDITIONED • NOISE PROOFED • FROM \$3.00

Available

LAWYER-ADMINISTRATOR

Recently out of GPA but keyed to something more timely than a return to private practice.

- Active career includes experience in insurance and air law, claims, public relations, teaching, selling, editing and writing for publication.
- Degrees from two good universities; protestant upbringing; considerable facility in modern languages; physically fit; age 45 and head of family.
- Free to travel and to make connection permanent if mutually advantageous.

PW-353, Business Week
520 North Michigan Ave.,
Chicago 11, Ill.

**Be 100%
with your 10%
BUY WAR BONDS**

I LIKE TO TRAVEL TOO...



If you are getting ready to swap your address for a new one, be sure Business Week (that's me) comes along.

I start out from Albany, N Y, every week and I can trail you to your new spot just as easy as I've been making the old one. And I'll like it, too. All you have to do is give me orders... like this:

Circulation Dept., Business Week
330 West 42nd Street, New York City
Please change my address.

NAME
OLD ADDRESS.....
NEW ADDRESS.....

Film Gets Rarer

Deliveries of rolls are set at 50% of last year's rate, but amateur photographers really get only a part of this quota.

Film-starved amateur photographers note the current advertising of Kodacolor with mingled yearning and regret. Via this promotion, the Eastman Kodak Co. exhorts civilian camera fiends to use the "limited amount of Kodacolor film now available" on home snapshots that can be mailed to men in the service. It explains that Kodak color films themselves are on war duty in air reconnaissance, in exposing camouflage, in recording battle action, in training personnel.

• **Put on Market in 1942**—Actually, the amount of this relatively new film is so limited that the amateur who finds any at all is lucky. Kodacolor provides full-color prints on special paper from color negatives in ordinary roll-film cameras (BW—Dec.27'41,p52). It was introduced last year—just in time to be caught in the tide of war production along with other Eastman specialties. Hence the advertising now being placed is a reminder and a promise rather than a bid for immediate sales.

This war hits the film manufacturers from two sides. In the production sector, films compete with ammunition for one of the prime ingredients of gunpowder, absorbing in peacetime about half the production of basic nitrocellulose. In distribution, the peacetime customer must take what is left after supplies have been furnished to Army and Navy photographers, newsreel men on the war fronts, training activities, propaganda agencies, hospitals, lend-lease, and other direct war demands.


• **Voluntary Rationing**—Civilian users are better off than they might have been because if military requirements hadn't been revised downward early this year, there wouldn't have been any film at all for nonwar purposes. Since there are only a few companies making film, they are allowed by WPB to conduct their own informal rationing system.

Thus Eastman and Agfa are supposed to hold deliveries to distributors at 75% of their last year's sales on cut film which is used by portrait photographers and commercial illustration studios. Roll film deliveries are scaled to 50% of last year's sales. Gevaert Co., a corporate refugee from Belgium, is allowed to concentrate its much smaller output on civilian demand since its relatively unfamiliar but established product is not being bought by the Army or Navy.

• **Quota Is Whittled**—Actually, the non-essential lens hound is worse off than

HERE LIE

PRICELESS TONS OF CALIFORNIA'S FOOD CROPS, BOTTED ON THE GROUND BECAUSE MOST EVERYBODY THOUGHT SOMEBODY ELSE WOULD HARVEST THEM



The above picture is a parody upon the old "Here lies a good man" type of tombstone. It is a reminder to the people of California that the state's food crops are being bottled on the ground because most everybody thought somebody else would harvest them. It is a reminder to the people of California that the state's food crops are being bottled on the ground because most everybody thought somebody else would harvest them. It is a reminder to the people of California that the state's food crops are being bottled on the ground because most everybody thought somebody else would harvest them.

FROM LABOR OFFICE

Department of Industrial Relations, University of California, Berkeley, California

Your Message to the People of California is Sponsored by

(Copyright 1942)

AMATEURS WANTED

To help avoid recurrence of farm labor shortages that left 770,000,000 lb. of fresh foods to rot on the ground last year, California's state agricultural agencies are pushing an unprecedented campaign for field hands. Provocative advertising in every medium is aimed at signing up more than 300,000 needed volunteers for full- or part-time work on farms at prevailing wage rates. The drive is sponsored by the state's Farm Production Council and the Agricultural Extension Service which is operating 136 farm labor offices where enlistments are taken. It is geared to the September and October harvest peaks.

the figures indicate. Out of the above quotas, manufacturers set aside reserves for "essential civilian uses." From this reservoir, buyers with AA-5 rating or better are supplied. Included in this category are films for news cameras, for plants which want records and applause for their war activities, medical and industrial X-ray film, and film used by photo engravers.

Some months back, the situation was aggravated temporarily by a mistake in the printing of a WPB form. Through this boner, the word "printers" was used instead of "publishers" in the categories listed as eligible for film priority. In New York, probably in other cities, printers took advantage of the error to buy film and resell it, in some cases at prices above the ceilings.

• **Down to about 30%**—Though this leak has been stopped, the reserve still takes a heavy bite out of supplies available for the hapless amateur. After the deduction, actual deliveries of roll film to retailers have been around 30% of last year's sales instead of the 50% which

**ON
SEPT.
9TH**



Your **Bond Selling Responsibilities Double!**

Starting September 9th, your Government will conduct the greatest drive for dollars from individuals in the history of the world—the 3rd War Loan.

This money, to finance the invasion phase of the war, must come in large part from individuals on payrolls.

Right here's where YOUR bond selling responsibilities DOUBLE!

For this extra money must be raised *in addition* to keeping the already established Pay Roll Allotment Plan steadily climbing. At the same time, every individual on Pay Roll Allotment must be urged to dig deep into his pocket to buy *extra* bonds, in order to play his full part in the 3rd War Loan.

Your now *doubled duties* call for these two steps:

1. If you are in charge of your Pay Roll Plan, check up on it at once—or see that whoever is in charge, does so. See that it is hitting on all cylinders—and *keep it climbing!* Sharply

increased Pay Roll percentages are the best warranty of sufficient post war purchasing power to keep the nation's plants (and yours) busy.

2. In the 3rd War Loan, every individual on the Pay Roll Plan will be asked to put an *extra two weeks salary* into War Bonds—over and above his regular allotment. Appoint yourself as one of the salesmen—and see that this sales force has every opportunity to do a real selling job. The sale of these *extra* bonds cuts the inflationary gap and builds added post-war purchasing power.

Financing this war is a tremendous task—but 130,000,000 Americans are going to see it through 100%! This is their own best *individual* opportunity to share in winning the war. The more frequently and more intelligently this sales story is told, the better the average citizen can be made to understand the wisdom of turning every available loose dollar into the finest and safest investment in the world—United States War Bonds.

BACK THE ATTACK  With War Bonds!

This space is a contribution to victory and sound business tomorrow by Business Week



RUBBER TREE—American-grown

In practically every synthetic rubber plant in America, Nordstrom Lubricated Valves are used. Why? Because they are necessary for positive shut-off and to regulate the flow on vitally important lines. Nordstroms are corrosion- and erosion-resistant; non-galling; leak-resistant. Ask for Bulletin.

NORDSTROM VALVE CO.
A Subsidiary of Pittsburgh Equitable Meter Co.
Main Offices: Pittsburgh 6, Pa. Branches: Principal Cities

KEEP upkeep down

NORDSTROM LUBRICATED VALVES

WAR PRODUCTION EDITION

of this well-known guide to executive leadership

Shows how to deal with problems of:

- responsibility
- discipline
- executive stimulation
- constructiveness
- self-assertion and self-expression
- leadership
- justice
- analysis of labor requirements
- introduction of the new employee
- difficulties with subordinates
- opposition
- stubbornness
- disloyalty
- dishonesty
- immorality
- irresponsibility
- the agitator
- difficulties with superiors and associates
- responsibility for errors

See it 10 days on approval

SEND THIS COUPON

Today every executive is alert to the necessity of better techniques in dealing with others for the furtherance of the common objective. Here is a new special edition of this sound and stimulating manual for every man who wants to improve his methods of getting along with others

The Technique of EXECUTIVE CONTROL

By **ERWIN H. SCHELL**, Professor of Business Management, Massachusetts Institute of Technology

Price, only \$2.00

SHOWS that executive technique is not a mysterious sixth sense, but a quality that can be definitely developed by anyone who will follow the simple methods laid down in this manual. Defines the tools of executive control; outlines the factors involved in the successful handling of others; gives practical and usable methods for getting a maximum output of work with a minimum amount of friction. In this edition a new chapter discussing the influence of the current emergency upon the various techniques of executive control has been added.

McGraw-Hill Book Co.,
330 W. 42nd St., New York 18, N. Y.

Send me Schell's The Technique of Executive Control, War Production Edition, for 10 days' examination on approval. In 10 days I will send \$2.00, plus few cents postage, or return book postpaid. (Postage paid on cash order.)

Name
Address
City and State
Position
Company BW-8-21-43



is ostensibly the rationing rate. That is one reason why Joe Citizen is sold a single roll of film (and sometimes told there is none at all) when he applies to the corner drug store with the family camera preparatory to a trip up country. The salesman may even insist on loading the camera to make sure the film is not injured by unskilled handling.

The 8,000 finishers in the country, conducting plants which develop films and do the printing for others, aren't so badly off since supplies of paper and chemicals are running ahead of available film. But their profits are smaller because of advancing labor costs.

Portrait studios and commercial picture takers fare some better with their 75% quota. But their reduced supply of cut film must be spread to cover a soaring demand. The sentimental impulses natural to war have put portraiture under high pressure. In addition to military demand, war workers, with their bulging purses, like to get their pictures.

• **Fewer Exposures**—Conservation eliminates some of the old wasteful practices. No longer does the photographer take dozens of shots of his subjects. In many cases extra negatives are out; in others they can be had for additional charges. Loss-leader types of cheaper portraits are also being eliminated. Small size film is sometimes used, enlargement therefrom bringing the print to the desired size.

Commercial photographers who make pictures for advertisements, catalogs, and periodical illustration have invoked similar thrift measures. Most emphasis is on the painstaking preparation so that extra shots will be unnecessary.

• **Specialists on the Spot**—There are in the country roughly 180,000 film and photographic outlets of all types. Of these, some 21,000 deal primarily in photographic supplies. The drug store or chain grocery which dispenses film from one corner of the tobacco counter has many other items to bolster volume when the supply of film is reduced. But the retailer who sells camera and photographic goods exclusively is in a very bad way, especially if he lacks a sizable commercial clientele. Many of these shops have put in toys, games, stationery, greeting cards, glassware in the hope of outlasting the crisis. So far only a few such shops have given up the ghost, but more are approaching exhaustion.

A common query is: "Why not go back to glass negatives?"

Film has monopolized the field to such an extent that any rapid expansion of glass plate production is stymied. An important producer of glass negatives, the Hammer Dry Plate & Film Co., St. Louis, was burnt out some time back. Recently it was rebuilt, but the dull prospect for future demand led the management to decide against resump-

That is sold a desolate family to consist on the handling country, p films aren't over and available her be- al pic- in their supply over a tal im- at por- addi- orkers, to get clim- prac- trapher cts. In out; in tional cheaper mated. d, en- print make alogs. voked phasis to that are in and ly in store film unter lume But photo- very zable these tion- the far up hing t go I to sion An ives. St. ack. dull the mp-

tion of glass negative manufacture. Big firms like Eastman and Agfa could not resuscitate their old equipment for glass plate making or obtain new machinery for this purpose in time to relieve the squeeze even if they wanted to.

• **Home Movies Out**—With all his handicaps, the amateur who takes still pictures is more fortunate than his brother bug who goes in for home movies. Unless the latter can dig up a dealer with 8- and 16-millimeter film in stock, he might as well unscrew the lens and put the camera back in its case. No film is being made for him. Both species of amateur feel that they have a squawk against the amount of 35-millimeter film allowed the big motion picture companies.

Under an O.K. from the WPB, movie companies are allowed 75% of the film used in 1941. That year provides a broad base, and there is plenty of room for saving in the extravagant techniques of the big studios. Also the number of productions was reduced and unprecedented patronage of theaters has allowed longer runs of individual films.

Cars Go West

And it's worrying eastern dealers, who are thus deprived of profit and maintenance work on used autos.

Used automobiles continue to roll out of the eastern states and into the boom towns of Texas, Louisiana, Florida, the Southwest, and the auction marts of Missouri (BW-May 8'43, p67) at a rate that shows almost no slackening even though car prices are \$100 higher than a month ago. The difficulty of getting boxcars for rail shipments has apparently thrown the load onto the highway where, once outside the eastern gas zone, drivers seem to have little trouble buying gas without coupons.

• **Down the Drain**—The exodus alarms many regular dealers whose income depends on sales of new cars, profits on used cars, and garage repairs. If a million used cars are taken out of their territory, these men say, even their decimated staffs of mechanics won't have much to work on.

No organization has any figures on the number of cars being whisked away, but the big volume of advertisements in eastern newspapers which offer cash for used cars, sight unseen, or a glance at the stream of towed cars on highways headed inland tells the story. Washington, D. C., alone estimates that it is losing from 2,000 to 4,000 old cars a month.

• **Service Men Drive**—Two cars, coupled together, move westward on gasoline granted the driver by ration boards au-



One car on its way, another ready to go—that's the used car agency scene in New York, and it's being repeated again and again in cities throughout the East. With the aid of generous newspaper ads (right) to persuade motorists to swap cars for cash, the operators, often using regular dealers as fronts, are shipping as many cars to new defense areas as the traffic will bear. Meanwhile, regular dealers and garage men are powerless to stop their stock-in-trade from melting away.

thorized to approve enough for 200 miles per car; thus one driver can move two cars about 400 miles on "legal" gas. After that, fueling is strictly a black market operation. Frequently soldiers and sailors on furlough are hired. As drivers they get free transportation—worth a lot these days when railways are overcrowded—and their uniforms make gas purchases easy.

The National Auto Dealers Assn. is warning its members that OPA may slap ceilings on used cars, as it did on trucks—practically bringing trade to a standstill—but believes that such action probably won't be in effect before October, if then. The N.A.D.A. thinks 60-day inventories of used cars are safe.

• **Larger Gross Possible**—Revised ceilings on used trucks went into effect Aug. 16. They provide for a larger gross margin to dealers, allow sales at warranted prices without reconditioning, permit the year of manufacture rather than the original sales date to be considered the truck's model number, furnish a table for freight allowances that will simplify price figuring, and remove off-the-highway equipment from the calculations. Such off-the-highway items as mixers, cranes, scoops, etc., are now put under Maximum Price Regulation 136. Dealers hope trade in used trucks will revive because of bigger profits.

Resistance to selling their passenger cars is explained by owners who are hop-

CHRYSLER NEW YORK
1787 Broadway (57th St.)
TRAFALGAR 4-2400

**PACKARD OWNERS
SELL TO PACKARD**
We buy your Packard for cash...
PACKARD MOTOR CAR CO.
NEW YORK
1700 Broadway

WANT TO SELL YOUR CAR?
...to us...
DEAD STORAGE
...to us...
SEND APPRAISER
...to us...
COLUMBUS 5-7824
MOTOR SALES CO. of N.Y.

**2000 CARS
WANTED
AT ONCE!**
...to us...
CIRCLE 1

BRILLIANT MOTOR CAR DIVISION
...to us...
1700 Broadway

JACOD
Will Buy Your Car Over the Telephone
CALL TOLSON 1-1411...
L. F. JACOD & CO.
1700 Broadway

We Go HIGH!!
For Low Mileage Cars
...to us...
CALL OR WRITE
Automobile Brokers Corp.
1700 Broadway

WE PAY THE LIMIT!
...to us...
CIRCLE 6-0235

YOUR CAR NOW!
...to us...
1940 1-42 CARS

ing for more gas the first of next month, according to official promises. Many are afraid it will be a long time before they can purchase another car after the war. Retooling will take months, they figure. And millions of buyers with war bonds or savings are going to scramble for cars. Others argue that when Germany collapses, the big drain on gasoline caused by huge plane consumption in long-range raids will release so much gas that rationing can end. The progress made with synthetic rubber tires assures new treads by next summer. The personnel of rubber director William M. Jeffers' office is already down 30% from four months ago when the program was more in doubt.

• **Use Down, Taxes Firm**—On the other hand, thousands of car owners are so fed up with the costs of keeping a car and the restrictions on its use that they are glad to sell at prices which are now almost equal to new car values. Automobile use has been reduced 40% in the fiscal year ended June 30, says N.A.D.A., but taxes on cars and gas remained about the same, \$448,742,000, as compared with \$455,586,000 in 1942—a decline of only 2%. The \$5 use stamp tax made up for the lower total tax income from gasoline sales which fell off from \$369,587,000 to \$288,785,000.

FINANCE

Death in Wartime

Utility holding companies had hoped for some letup in the integration process, but SEC is going ahead with enforcement.

Although the Supreme Court has yet to rule unequivocally on the constitutionality of the "death sentence" in the holding company law, the far-flung utility systems' days have really seemed numbered ever since the Securities & Exchange Commission, denying that war was any reason for slowing up its action, actually intensified its long-standing drive for geographical integration. Even some of the original diehards are now yielding, as witnessed by the recent filing of a voluntary dissolution plan by the giant North American Co. (BW—Aug. 7'43, p105).

● **Market Handicap**—The SEC first began to do its job via the geographical breakup provisions of the act by directing companies to get rid of all properties but those combinable into one tight-knit operating system. However, this procedure would necessitate many sales of properties, and attempts to do this proved such markets nonexistent now.

Thus emphasis in SEC orders soon shifted to the act's recapitalization and corporate simplification provisions. Now favored are "plans for the exchange of securities held in a holding company's portfolio for senior securities of the holding company or plans . . . providing for the distribution of a holding company's assets to its security holders." The commission shrewdly ties in this policy shift to the war effort by pointing out that dissolution this way does not "involve the sale of securities in the market" nor are "public funds . . . absorbed or diverted from essential investments in government bonds or in war production."

● **No Hurry-up Job**—Obviously, the breaking up of all utility holding company systems, even if voluntarily agreed to, is a huge job and one that cannot be done quickly. Unwillingness to adjust voluntarily makes it that much tougher.

It is true that the SEC can undertake to force the unwilling to comply with its interpretation of the act. Still, its orders are enforceable only by a federal court, and no application can be made till at least a year after issuance. Then would follow the inevitable period of hearings and appeals from unfavorable decisions taken by both parties.

● **Several Plans Pending**—From the amount of litigation, actual or threat-

ened, entailed by its past orders, it might be assumed that the SEC had made little headway in its efforts to enforce the act. This is far from true. Good progress has been made. American Light & Traction, American Water Works & Electric, General Gas & Electric, National Power & Light, Northern States Power, Standard Gas & Electric, United Gas Improvement, and United Light & Power have already filed voluntary liquidation plans. Not all are entirely acceptable to the SEC, but in many cases steps are already being taken to carry them out. The filing of a plan by the North American Co. is a victory for the SEC, too, whether due to technical reasons or not.

In the case of other large systems, the act should not greatly bother American Gas & Electric, unless the SEC thinks its interconnected properties cover too much area. Associated Gas & Electric is combining reorganization in bankruptcy with fulfillment of SEC requirements. (Utilities Power & Light

disappeared by the bankruptcy-simplification route.)

● **Two Special Cases**—Cities Service Co. has been retiring large amounts of subsidiary debt and hopes for eventual exemption from provisions of the act since the bulk of its business is oil and gas; only 25% of revenues come from electric properties, and there are plans to dump these overboard. Columbia Gas & Electric has also been buying in large amounts of its funded debt with SEC permission. Its eventual status under the death sentence is problematical, too, as 66% of its gross comes entirely from natural gas subsidiaries.

Commonwealth & Southern has agreed to an SEC order to change its present preferred and common shares into a single class of stock, a move designed to expedite any subsequent distribution of present holdings of operating company securities to its shareholders. However, if, as is likely, C. & S. is finally restricted to only one of its major southern systems, a fight appears probable, since this would mean virtual liquidation of the present system. The SEC has approved some parts of a voluntary plan submitted by Engineers Public Service, but the prospect of

Treasury Sticks to Unitas

In the revised plan for international currency stabilization released this week, the Treasury resolutely stands by the proposals it outlined last April (BW—Apr. 10'43, p100). The new draft contains a good many changes in detail and a certain amount of amplification, but fundamentally it is the Treasury's original plan. Its only apparent concession to the British counterproposal is the inclusion of an elegant preamble on postwar economic problems.

If adopted by the United Nations, the new Stabilization Fund would have three main jobs: (1) to prevent disruption of foreign exchange markets; (2) to help support the monetary systems of member countries; and (3) to aid in the revival of postwar international trade.

The Treasury plan is to accomplish all this by setting up a \$5,000,000 fund empowered to buy and sell currencies and foreign exchange. Member nations would start it off by subscribing agreed shares, partly in gold, partly in their own currencies. Whenever a dislocation of trade threatened to kick the bottom out of a foreign exchange market, the fund would step in and sell enough gold or foreign exchange to meet the demand.

As an alternative, the British suggested an International Clearing

Union which would work by offsetting payments due a member against payments it owed other members. All transactions would be settled by a transfer of credits on the clearing house books.

The Treasury has revised its first plan, after consulting with representatives of some 30 prospective members, but it sticks to the idea of the Stabilization Fund rather than a Clearing Union and leaves unresolved two other differences:

(1) It calls for an international currency, the unitas, firmly tied to gold. Since member nations would promise to maintain the exchange rates of their currencies in terms of unitas, this would mean putting all currencies on a gold-parity basis. The British plan, on the other hand, leaves gold pretty much out of the picture. While it doesn't specifically call for abandonment of the gold standard, it reduces gold to the status of an honorary member of the monetary system.

(2) The Treasury still insists on determining subscriptions to the fund and voting power of the members according to a formula that takes account of gold stocks and national income, as well as volume of international trade. The British proposal would make the size of a country's trade the only criterion.

S-h-h... it's a "civilian secret"!

New, improved MILLER 50 FOOT CANDLER and 100 FOOT CANDLER Continuous Fluorescent Lighting Systems coming back—look for the BIG NEWS here next month!



Three years ago we introduced the first continuous fluorescent lighting systems—MILLER 50 AND 100 FOOT CANDLER.

This meant that for the first time industry really could have adequate man-made daylight indoors—of 30, 50 or more footcandles—for better, faster, safer production.

This meant considerable installation savings—both time and dollars—over conventional incandescent or fluorescent fixture hookups. Savings of from 30 to 50% as a matter of fact.

This meant simplified lighting maintenance—reflectors so easy to remove, handle and clean that women workers

could take care of them.

Then war hit! And, cockeyed as it sounds, the very production requirements which this better lighting served so well created shortages in metals and other vital materials that temporarily cramped our style.

Now MILLER engineers have licked those headaches—and they're bouncing back with a new, and further improved 50 FOOT CANDLER AND 100 FOOT CANDLER that's going to give you all these lighting benefits to help you with your production and manpower problems.

If your war demands are so great you can't wait, drop us a line and we'll see what advance dope we can send you now.

THE ABOVE LIGHTING LAYOUT will give you a faint hint of what's coming—an improved, streamlined version of the most successful lighting system in use in industry today—and pioneered by MILLER.



SAFETY FIRST!

Among many noteworthy MILLER fluorescent features is this patented safety lamp lock that minimizes the danger of lamps falling. It is an integral part of each socket, simple in operation, fool-proof, and sound accident insurance.

THE MILLER COMPANY • MERIDEN, CONNECTICUT

ILLUMINATING DIVISION
Fluorescent, Incandescent
Mercury Lighting Equipment

OIL GOODS DIVISION
Domestic Oil Burners
and Liquid Fuel Devices

ROLLING MILL DIVISION
Phosphor Bronze and Brass
in Sheets, Strips and Rolls

WAR CONTRACTS DIVISION
War Materiel





**STOP
WORRYING**

PACK 'EM IN Cloth BAGS

• Cloth mailing or parts bags—with draw-strings for easy enclosures. Fine for shipping engravings, machine parts, or unbreakable objects. Every size and description with or without address labels attached. Easy to store... Quick to handle... Saves packaging... Safe and economical... Speeds delivery. Any quantity, prompt deliveries. Write today for sample and prices.

Send us all your bag problems

GENERAL BAG CORPORATION
2715 E. 34th Street, Cleveland, Ohio

POST-WAR PLANS
Ford, Bacon & Davis
Surveyors
Engineers

Atlas Corporation

Dividend on Common Stock

NOTICE IS HEREBY GIVEN that a dividend of 25¢ per share has been declared on the Common Stock of Atlas Corporation, payable September 10, 1943, to holders of such stock of record at the close of business August 14, 1943.

Dividend No. 28 on 6% Preferred Stock

NOTICE IS HEREBY GIVEN that a dividend of 75¢ per share for the quarter ending August 31, 1943, has been declared on the 6% Preferred Stock of Atlas Corporation, payable September 1, 1943, to holders of such stock of record at the close of business August 14, 1943.

WALTER A. PETERSON, Treasurer
August 2, 1943.

CHRYSLER *Chrysler Corporation* DE SOTO
DODGE PLYMOUTH

NOW MAKING WAR PRODUCTS

DIVIDEND ON COMMON STOCK

The directors of Chrysler Corporation have declared a dividend of seventy-five cents (\$.75) per share on the outstanding common stock, payable September 14, 1943, to stockholders of record at the close of business August 20, 1943.

B. E. HUTCHINSON
Chairman, Finance Committee

THE MARKETS

Last week recorded the dulllest full-day trading volume seen on the Big Board since last October. Also, it was the smallest full six-day trading period in eleven months.

Prices, generally, have been creeping higher. However, the Street is still pretty leery about the persistence of low trading volume. Many think this indicates a continuance of investor confusion, a state of mind far from conducive to any nearby reestablishment of the recent bull market.

• **Specials Make a Hit**—Nevertheless, there are plenty of green-backs around to buy securities when the appeal is apparent. A special secondary offering of 7,500 shares of Standard Oil of California common on the New York Stock Exchange Tuesday was oversubscribed three times within 15 minutes. Of 50,000 shares of General Foods offered at the same time, 32,936 were sold by the close of trading, whereas only 26,700 changed hands in regular trading in all July. Similar offerings then of 7,400 Commercial Credit shares and 10,000 United Engineering & Foundry common were also over-subscribed. All told, it was quite a day for specials.

Investment bankers are now hurrying to get \$65,000,000 of corporate financing (Illinois Central and Pennsylvania equipment trust issues, Iowa Power Light and West Texas Utilities bonds, and bonds and stock of Pennsylvania Electric) out of the way before the government's loan drive in September.

• **Goal of 15 Billions**—The loan drive is being directly aimed at nonbanking sources, particularly at individual savings. The goal has been set at \$15,000,000,000, but this is a mere formality—the Treasury confidently expects the popu-

lace to shell out a greater amount. (In the last drive, the goal for nonbank investors was \$8,000,000,000 and they ponied up \$12,500,000,000.)

To be offered, in addition to the regular Series E, F, and G savings bonds and Series C Treasury savings notes, are 2% bonds, due Sept. 15, 1953, and callable after Sept. 15, 1951; 2½'s, due Dec. 15, 1969, but callable after Dec. 15, 1964; and 3% noncallable certificates of indebtedness due Sept. 1, 1944.

• **Special Insurance Offer**—Besides the no trespassing signs aimed at commercial bank subscriptions, another novelty has been introduced. This is an arrangement whereby life insurance companies may subscribe during the drive to the 2's and 2½'s in anticipation of the funds that will be available to them for investment up to Nov. 1 and may defer their payments accordingly.

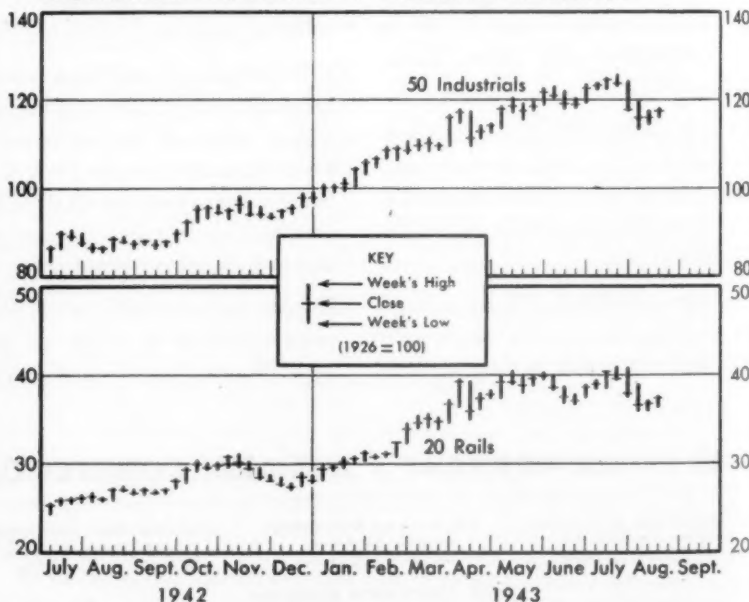
Holders of the Treasury 3½'s, 1943-45, called for redemption Oct. 15, will get an opportunity to participate in the drive also. Nonbank holders will be permitted an exchange, par-for-par, into either the new 2's or the 2½'s.

Security Price Averages

	This Week	Week Ago	Month Ago	Year Ago
Stocks				
Industrial ...	117.5	115.9	123.6	88.7
Railroad ...	37.4	36.8	39.6	27.3
Utility	50.6	50.0	52.3	30.1
Bonds				
Industrial ...	117.0	117.0	116.7	108.7
Railroad	98.8	99.0	100.9	85.9
Utility	115.7	115.6	115.6	104.0
U. S. Govt. ...	112.8	112.9	112.8	110.5

Data: Standard & Poor's Corp. except for government bonds which are from the Federal Reserve Bank of New York.

COMMON STOCKS—A WEEKLY RECORD



Data: Standard & Poor's Corp.

...ual liquidation is looming here too.
Pending in the Courts—Electric Bond
 Share, long a die-hard outfit, is using
 hands with SEC approval to retire pre-
 ferred stock. However, its status will
 not be cleared up until present litigation
 over dissolution orders issued against
 two subsidiaries, American Power &
 Light and Electric Power & Light, has
 been finally decided.

United Corp. has just been ordered
 to recapitalize with a single class of stock
 and cease being a holding company.
 Still, it does not have to dissolve itself
 at once, and the door was left open for
 new proposals under which it might
 continue as an investment company.

A Welcome Test—Another holding
 company is honoring the SEC currently.
 Ordered to dissolve a year ago, Inter-
 national Hydro-Electric System is now
 welcoming a suit just brought by the
 commission to compel its dissolution.
 This is because the company sees so
 many liquidating difficulties ahead of
 it that it admits the matter probably
 can be best handled under SEC direc-
 tion.

Some rumors were abroad early this
 year that the SEC would have to relax
 its recent strict attitude toward holding
 companies due to (1) administrative
 difficulties caused by market conditions,
 (2) congressional criticism of the com-
 mission, and (3) personnel problems of
 both the SEC and the holding com-
 panies.

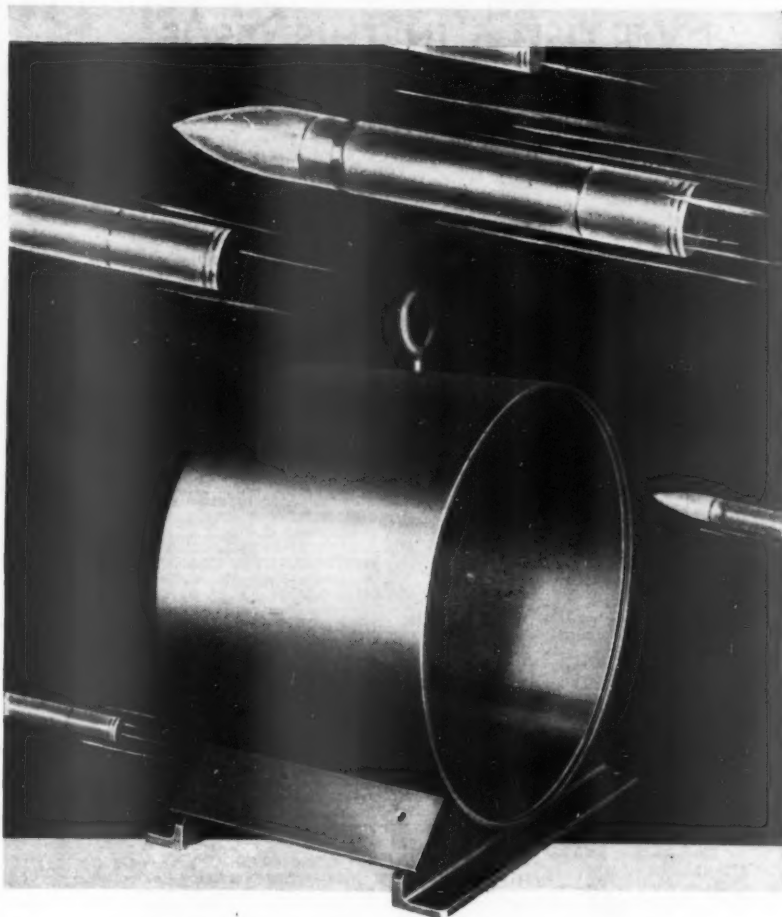
No Letup Seen—There is no evidence,
 however, that the commission has any
 idea of relaxing. Rather, indications are
 that it has already laid the ground work
 for its task and that from here on it
 should not be so hard.

V-Loan Cushion

Credits appear one way
 to bridge the reconversion gap,
 and many companies now have
 opened lines with banks.

Little enthusiasm, despite the govern-
 ment guarantee, was shown in the Regu-
 lation V loans at the start, probably
 because of their newness. However,
 business studied the situation for a time
 and decided they did offer very definite
 advantages—not necessarily to provide
 working capital to handle war opera-
 tions; more as an ace-in-the-hole for the
 postwar period. Since terms of most
 V-loan contracts provide a safety valve
 in the event of any abrupt ending of
 war contracts by giving companies time
 to liquidate inventories, they thus pre-
 vent the tying up of working capital
 while production shifts from war to
 normal peace goods.

Some Large Loans—Even such a
 prime credit risk as General Motors



This Shell Is Going Places, Too!

You will recognize those flying shells in the background as a high-
 explosive type now inflicting terrible punishment upon tanks
 and supply columns of our enemies.

★ But can you identify the high-production shell in the foreground?

★ This cylindrical shell houses the new R & M Uni-Shell motor, a
 revolutionary development in electric motor construction. Into
 this Uni-Shell can be built all types in any one frame size in the
 entire R & M Uni-Shell integral horsepower line—polyphase,
 single-phase or direct-current motor or generator. In other words,
 it makes the complete line *interchangeable and similar in appear-
 ance*—brings new economy and time-saving convenience to the
 user of motors. And the new Uni-Shell motors themselves embody
 important improvements and techniques which result in much
 longer life and higher efficiency.

★ If you use motors you will want the 20-page R & M Uni-Shell
 booklet. Write for your copy today. Robbins & Myers, Inc.,
 Springfield, Ohio.

ROBBINS & MYERS

FOUNDED 1878

MOTORS • HOISTS • CRANES • MACHINE DRIVES • FANS • MOYNO PUMPS



ADVERTISERS IN THIS ISSUE

Business Week—August 21, 1943

ACME PATTERN & TOOL CO.	80	JOYCE MACHINE CO.	53
Agency—KURLOR & STITES CO.		Agency—SEDERHAGEN, INC.	
ALCOA STEAMSHIP CO., INC.	97	KOHLER CO.	69
Agency—WENDELL P. COLTON CO.		Agency—N. W. AYER & SON	
THE LOUIS ALLIS CO.	54, 57	G. B. LEWIS CO.	90
Agency—ALONZO FOWLE & ASSOC.		Agency—BERT S. GITTINS, ADVERTISING	
AMERICAN APPRAISAL CO.	52	THE LIQUIDOMETER CORP.	52
Agency—KLAU-VAN PIERSEBOM-DUNLAP ASSOC., INC.		Agency—LUCERNA CO., INC.	
AMERICAN VISCOSE CORP.	25	LYON METAL PRODUCTS, INC.	51
Agency—J. M. MATHER, INC.		Agency—EVANS ASSOCIATES, INC.	
ANACONDA WIRE & CABLE CO.	59	MAINE DEVELOPMENT COMMISSION	84
Agency—LYET & ELLINGTON, INC.		Agency—N. W. AYER & SON, INC.	
ATLAS CORP.	108	MARMON-HERRINGTON CO.	95
Agency—ALBERT FRANK-GUNTHER LAW, INC.		Agency—THE CALDWELL-BARKER CO.	
BAKER INDUSTRIAL TRUCK DIVISION OF THE BAKER RAILROAD CO.	70	MARYLAND CASUALTY CO.	21
Agency—G. M. BARFORD CO.		Agency—J. M. MATHER, INC.	
BALDWIN LOCOMOTIVE WORKS	35	MCGRAW-HILL BOOK CO., INC.	102
Agency—KETCHUM, MACLEOD & GROVE, INC.		MCGUAY-NORRIS MFG. CO.	41
BELL SOUND SYSTEMS, INC.	77	Agency—D'ARCY ADV. CO., INC.	
Agency—WHEELER-KIGHT & GAINES, INC.		MERCO-NORDSTROM VALVE CO.	102
BIRDSBORO STEEL FOUNDRY & MACHINE CO.	88	Agency—THE MCGARTY CO.	
Agency—BRADMONT, HELLER & SPERLING, INC.		THE MICHAELS ART BRONZE CO.	32
BLACK & DECKER ELECTRIC CO.	77	Agency—JAAP-ORR CO.	
Agency—THE BATLERS-KERR CO.		THE MILLER CO.	107
BLACKHAWK MFG. CO.	24	Agency—J. M. HICKERSON, INC.	
Agency—KLAU-VAN PIERSEBOM-DUNLAP ASSOC., INC.		THE NATIONAL CITY BANK OF CLEVELAND	94
BOEING AIRPLANE CO.	81	Agency—MCCANN-EMMETT CO.	
Agency—N. W. AYER & SON, INC.		NATIONAL STEEL CORP.	86
L. L. BROWN PAPER CO.	22	Agency—KETCHUM, MACLEOD & GROVE, INC.	
Agency—COWAN & DENGLER, INC.		NEKOOSA EDWARDS PAPER CO.	87
THE BULLARD CO.	42	Agency—THE CHAMBER-KRAMER CO.	
Agency—SNOW & CARALIN, INC.		NORTON CO.	43
THE PHILIP CAREY MFG. CO.	42	Agency—JOHN W. OELIN CO., INC.	
Agency—THE B. C. BARR CO.		OREGON JOURNAL	48
THE CARPENTER STEEL CO.	29	Agency—SHORT & BACH, ADVERTISING	
Agency—BRADMONT, HELLER & SPERLING, INC.		PENN ELECTRIC SWITCH CO.	6
CHRYSLER CORP.	108	Agency—LAMPORT, FOX & CO.	
Agency—DORRMEIS & CO.		PHILCO CORP., STORAGE BATTERY DIV.	76
THE COLSON CO.	37	Agency—BAYNE M. BARNHILL ASSOC., INC.	
Agency—MEHRMANN, INC.		PLOMB TOOLS CONTRACTING CO.	96
CONTAINER CORP. OF AMERICA	91	Agency—WILLARD G. GIBSON & CO.	
Agency—N. W. AYER & SON, INC.		PLYMOUTH CORDAGE CO.	36
THE CRAFT MFG. CO.	39	Agency—FULLER & SMITH & ROSS, INC.	
Agency—FRISBA, FULLER & FRISBA, INC.		PREFERRED UTILITIES CORP.	68
CRANE CO.	61	Agency—MICHEL-CATHER, INC.	
Agency—THE BUCHAN CO.		PUMP ENGINEERING & SERVICE CO.	27
CROCKER-WHEELER ELECTRIC MFG. CO.	75	Agency—FULLER & SMITH & ROSS, INC.	
Agency—ROY S. DUBSTINE CO.		RCA VICTOR DIVISION, RADIO CORPORATION OF AMERICA	31
CUTLER-HAMMER, INC.	10	Agency—KINTON & ECKHARDT, INC.	
Agency—KIRKGAARD-DREW		THE RAULAND CORP.	74
A. B. DICK CO.	83	Agency—ROY D. ZEFF & ASSOCIATES	
Agency—LEO BURNETT CO., INC.		REFINERS LUBRICATING CO.	64
DIEBOLD SAFE & LOCK CO.	47	Agency—GRAT & ROGERS	
Agency—SWENBY & JAMES CO.		REICHOLD CHEMICALS, INC.	85
DITTO, INC.	89	Agency—MACMANS, JOHN & ADAMS, INC.	
Agency—W. W. GARRISON & CO.		RESINOUS PRODUCTS & CHEMICAL CO.	104
DRESSER INDUSTRIES	58	Agency—NEWELL-EMMETT CO.	
Agency—FULLER & SMITH & ROSS, INC.		ROBBINS & MYERS SALES, INC.	109
THE EBCO MFG. CO.	68	Agency—ERWIN, WARE & CO., INC.	
Agency—WHEELER-KIGHT & GAINES, INC.		JOHN A. ROEBLING'S SONS CO.	103
EDISON STORAGE BATTERY DIVISION THOMAS A. EDISON, INC.	2	Agency—RICKARD & CO., INC.	
Agency—FEDERAL ADVERTISING AGENCY, INC.		ROHR AIRCRAFT CORP.	93
EITEL-MCCULLOUGH, INC.	99	Agency—BARNES-CHARR CO.	
Agency—L. C. COLE, ADV.		SKILSAW, INC.	54
ELLIOTT ADDRESSING MACHINE CO.	30	Agency—EARLE LUDGIN CO.	
Agency—ALLET & RICHARDS CO.		THE W. W. SLY MFG. CO.	72
FORD, BACON & DAVIS, INC.	108	Agency—THE BATLERS-KERR CO.	
Agency—MCCANN-EMMETT CO.		SOUTHERN RAILWAY SYSTEM	12
FORD MOTOR CO.	44, 67	Agency—NEWELL-EMMETT CO.	
Agency—MAXON, INC.		SUPERIOR STEEL CORP.	55
GENERAL BAG CORP.	108	Agency—WALKER & DOWNING	
Agency—HUBBELL ADV. AGENCY, INC.		TAYLOR INSTRUMENT COS.	33
GENERAL ELECTRIC CO.	38	Agency—BATT & BARTON, DUBSTINE & OSBORN, INC.	
Agency—N. W. AYER & SON.		THIOLKOL CORP.	65
GENERAL MOTORS TRUCK & COACH DIVISION	79	Agency—NEWELL-EMMETT CO.	
Agency—D. P. BROTHMAN & CO., INC.		TWIN DISC CLUTCH CO.	40
THE GLOBE-NORRICK CO.	26	Agency—FRANCIS W. CURTIS, INC.	
THE B. F. GOODRICH CO.	1	U. S. ELECTRICAL MOTORS, INC.	28
Agency—THE GRISWOLD-EDHELMAN CO.		Agency—THE MCGARTY CO.	
GRAHAM TRANSMISSIONS, INC.	78	UNITED STATES TREASURY DEPT.	101
Agency—BERT S. GITTINS, ADV.		THE VICTOR SAFE & EQUIPMENT CO., INC.	39
GULF OIL CORP.	9	Agency—LIMFORD ADVERTISING AGENCY, INC.	
Agency—YOUNG & RUBICAM, INC.		THE WAYNE PUMP CO.	111
HARDWARE MUTUAL CASUALTY CO.	46	Agency—BONDIS ADV. AGENCY	
Agency—ROCHE, WILLIAMS & CUNNINGHAM, INC.		WESTERN ELECTRIC CO.	3
WM. E. HOOPER & SONS CO.	90	Agency—NEWELL-EMMETT CO., INC.	
Agency—MCLAIN ORGANIZATION, INC.		WESTINGHOUSE ELECTRIC & MFG. CO.	71
HOTEL LENOX	100	Agency—FULLER & SMITH & ROSS, INC.	
Agency—GARDNER ADVERTISING CO.		WILKINSON MFG. CO.	98
HYATT BEARINGS DIVISION GENERAL MOTORS CORP.	73	Agency—GRAY & ROGERS	
Agency—CAMPBELL-EDWALD CO., INC. EASTERN DIV.		WILLSON PRODUCTS, INC.	8
JOHNSON & HIGGINS.	23	Agency—JAMES G. LAMB CO.	
Agency—DORRMEIS & CO.		WYANDOTTE CHEMICALS CORP.	43
JONES & LAMSON MACHINE CO.	49	Agency—N. W. AYER & SON, INC.	
Agency—HENRY A. LUDON ADV. AGENCY		YORK CORPORATION	4
		Agency—J. M. MATHER, INC.	
		YOUNGSTOWN SHEET & TUBE CO.	45
		Agency—THE GRISWOLD-EDHELMAN CO.	

moved in that direction, and last (BW—Sep. 19'42, p98) it arranged 250 banks a \$1,000,000,000 V-loan credit, the largest seen to date. Other large companies soon followed suit, such as Chrysler, Emerson Electric, B. F. Goodrich, Radio Corp. of America, and Westinghouse Electric, for example, making arrangements for similar lines ranging from \$30,000,000 to \$200,000,000.

The V-loans, however, have looked even more attractive to the aviation industry, due to its uncertain postwar prospect. Bendix Aviation, Lockheed Aircraft, Bell Aircraft, North American Aviation, Consolidated Vultee, and Aviation Corp. of America have available V-loan credit lines totaling almost \$600,000,000.

● Various Provisions—Most of the V-loan credit lines extend to 1945 and 1946 and call for loans to be made in 90-day notes. (This makes the payment eligible for rediscount at the Federal Reserve.) Borrowing costs vary, generally ranging from 3% down, and the banks also collect a standby commission on the unused portion of the credit at 1/4% or 1/2%. Restrictions under the credit, especially with the better credit risks, are not onerous.

On May 31, 1943, total authorized V-loans stood at \$4,554,000,000. Because many companies with these credit lines are reserving them for use later on only \$1,415,000,000 of borrowings were outstanding, 81% being covered by government guarantee.

WIRE MERGER VOTED

Western Union and Postal Telegraph stockholders approved the proposed merger of the two companies by a 7-1 margin as expected (BW—Aug. 7, p102). Thus one of the three important requirements in this connection have been met. Next on the schedule is to have the merger approved by the Federal Communications Commission and the New York State Public Service Commission.

A few squawks were heard at each meeting, but nothing serious developed. Spokesmen for the American Communications Assn. (C.I.O.) did ask the Western Union stockholders (with little result) to turn down the merger on the grounds that it was against public interest, would jeopardize the war effort, and might cost the jobs of thousands of employees.

In presenting the merger to stockholders, much stress was laid on the large savings in operating costs possible through consolidation of existing duplicate facilities. This may be a sore point in the future, however. Already, records are said to show the closing of at least 100 Postal offices since March without the required FCC permission, and an investigation of the matter has just been started by the commission.

THE TRADING POST

War Training

letter from the head of a chemical manufacturing company:

When I read your recent "Trading Post" article about the training of men in the services and in industry, I was inclined to write you about a training program for the hundreds of thousands of young men in the armed forces who were prevented from finishing their education in colleges, schools, and the like. What is the way to promote such a program without making the plan itself a subject for political bargaining and chiseling?

Before the armed forces are demobilized, there will be many proposals for soldiers' bonuses and the like. Since many of the men either were in school or had plans for continuing an education at the time they were in the Army, our country should make such men, and any others whose family income is such that they do not immediately go out and look for a job, a chance to get an education in some line for which they are suited. The approach to the problem should be something as follows:

(1) A National Planning Board, in connection with the Bureau of the Census, should now determine how many physicians, engineers, chemists, plumbers, carpenters, accountants, farmers, etc., the country will need in postwar days. The figures they come out should be well publicized and be the subject of much discussion before any other action. The committee should consist of men from the colleges, training schools, unions, employers' associations, professional societies, and any others who could contribute valuable ideas or data. It would be strictly a fact-finding organization. Its findings should be made the basis for any plan.

(2) Young men would be offered a choice of training in whatever profession or skill they chose, but the findings of the mentioned committee would limit the number trained in any one profession. While in the Army, the men could be given aptitude and aptitude tests and advised as to the general type of work they would be most successful in. There should, of course, be no compulsion. Each man would merely be given the best possible advice as to the line of endeavor in which he would make the greatest success. Preference in filling positions would be given to those who showed the greatest aptitude.

(3) Since it takes more training to make a doctor or a chemist than it does to make a plumber or a carpenter, there would be inequalities. However, the underlying principle should be that once a man qualifies through tests, etc., for a certain type of training, he should get whatever training is necessary to turn him out as a doctor, accountant, farmer, or politician, or whatever he sets out to be.

* * *

The advantages of such a plan from the national point of view are:

(1) It would keep many men from the necessity of looking for jobs during the

changeover period from a wartime to a peacetime economy.

(2) It would give the United States during the coming generation a group of skilled workmen unmatched in any other country. This would do more than any other single thing to insure our leadership in business, and perhaps also in politics if we trained men for career jobs in government work as well as in business.

(3) It would be worth far more to the men themselves than any cash bonus.

(4) It would mean quick rehabilitation for the colleges, universities, and trade schools that have been pretty well disorganized by the war. It would also get into the colleges and universities as students a bunch of hard-boiled realists, many of whom would later get into the faculties of these institutions. We might then have less diversity of opinion between business and political leaders and the much-reviled college professors.

(5) It would give the country some experience in planning and publicizing the need for various types of professional training and would prevent overcrowding in some fields and scarcity in others.

* * *

The chief problem is to get the right people interested in promoting the program. Men seem to put the most drive behind the things that will be of advantage to themselves. It seems, therefore, that the ideal person or group to promote a plan like this would be one who would gain in some way, but who would not receive any benefits under the plan itself. Then there would be no charge of self-interest and no twisting of the plan to favor special groups. The chief need, of course, would be to get Congress to adopt the plan and to appropriate the funds, but I do not believe the working out of details should be left to Congress alone. It should be done by fair-minded, honest, and intelligent men who could and would spend the necessary time to work out the plan in a fair and unprejudiced manner, present it to Congress, and serve as a source of information during the debate and arguments incidental to congressional consideration.

Perhaps Congress itself should set up the committee to work out the plan. The committee members should be prominent men from various fields and should be paid for their work. Once the plan was adopted, it should be carried out under a powerful agency of unquestioned integrity, to avoid political chiseling.

I would like to have reactions to the whole idea and suggestions as to how to get it going. I have mentioned it to one congressman who has discussed it with members of the Veterans and Military Affairs Committees. However, nothing much has come of it, probably because there are so many other things that a congressman has to think about. Now I am looking for a means of supplying the interest and power that it will take to get full consideration.

This letter and other similar comments indicate that postwar training holds an important place in postwar thinking.

W.C.



IS VITAL

REMEMBER compressed air when you need increased production. New uses of compressed air are speeding up work in spite of manpower shortage. Wayne Compressors are still available under Government regulations. They're backed by Nationwide Service. Write for bulletin and prices.

THE WAYNE PUMP COMPANY
FORT WAYNE 4, INDIANA

Buy U.S.
War Bonds



AIR COMPRESSORS

THE TREND

WASHINGTON'S NEW GO AT INFLATION

Quietly, and without saying it in so many words, the Administration has decided to drop its original over-all inflation-control scheme in favor of a much simpler idea. The far-flung attack on a wide front, covering farm prices, taxes, and meticulous control over every last commodity down to buttonhooks and parrot cages, will taper off. In its place will come "index" or "budget" control. This means that, hereafter, the Administration will devote the major share of its energy to depressing the Bureau of Labor Statistics' cost-of-living index so that the workers' budget will appreciate, and the threatened race between wages and prices will be called off.

• It is difficult to assay the workability of this revised strategy. Pessimistic economists feel that, unless the Administration continues to plug earnestly for higher taxes and the policing of thousands of price ceilings, inflationary pressures will be allowed to skyrocket land values, the price of luxuries, and everything not measured by the BLS index. Other economists believe that the Administration has made a brilliant retreat to shorter lines after a heavy shelling from a hostile Congress. In any event, the Administration must bank on its characteristic good luck for even a minimum success in the new venture—specifically, food supplies must remain ample, and the war outlook must stay cheery.

As everybody knows, the object of controlling inflation is to prevent a radical redistribution of purchasing power. Nobody, to be sure, begrudges the farmer or the laborer his extra "take home" after an extension of acreage or of the work-week. But the Administration emphatically does not want this increased "take home" to push up prices and create brutal competition for a dwindling supply of goods and services. Once such competition gets started—once the wage-earners and farmers pit their relatively elastic earning power against the fixed earning power of the white collar, rentier, and coupon-clipping classes—the war effort becomes a domestic poker game rather than a united drive to lick the enemy abroad.

• Theoretically, the safest way to conquer the inflation problem is to (1) regulate all prices, including farm prices, (2) regulate wages, and (3) impound excess purchasing power by taxes or forced savings. At various times, the Administration has advocated all this, but never successfully.

For one thing, Congress is in no mood to levy drastic taxes, especially with an election year heaving into sight. For another thing, nobody has the stomach to hold down farm prices. And finally, Congress is pretty sure that if it granted OPA an adequate police force, squawks over the "Gestapo" would make life miserable for legislators.

A cold summing up of all these factors has convinced the Administration that it is politically impossible to stick to the teachings of the textbooks. Taxes steep

enough to fill the so-called "inflationary gap" seem to have fallen out of the question. And OPA's only reliable police force is destined to be composed of volunteers who have their hands full with food prices alone. Thus the inflation control program is now reduced to this: Give the wage earner a fair deal by holding (or cutting) the cost of living; give the farmer a fair deal by buying up his crop at generous prices (and reselling to the consumer at lower prices); then pray that, with food prices stable and wages enough to eat for all, excess purchasing power will flow into banks and bonds, not into speculation.

• Of course, the "fair deal" for farmers and laborers will cost the taxpayer some money. How much, nobody knows. But here is a rule-of-thumb measurement: It would probably take about \$500,000,000 in subsidies (or losses on government purchases of food) to keep the cost of living from moving 1%. On the other hand, a general wage adjustment to meet a 1% upturn in the index would amount to \$900,000,000, would immediately spin up the wage-price situation a second time, and would add—initially—around \$500,000,000 to the cost of the war. On the basis of such figures, the Administration is advertising the cheapness of "index" control.

Aside from cheapness, the new program promises an extremely easy technique for holding down the general price level. For the government is virtually relieved of the responsibility of minutely controlling each and every price—it merely has to offset one price rise by a price reduction somewhere else. Suppose, for instance, that pork prices are rising and that Washington can't stop the rise; then the government need merely buy up, say, a lot of apples, dump them on the market at a cheap figure, and thus counteract the pork increase. True, it would have funked on controlling pork prices, and moreover would have reduced apple prices to extraordinary lows, but so far as the total cost of living is concerned, it makes no difference.

• Oldline, pro-Henderson OPA chiefs undoubtedly shudder at this strategy. They have protested all along that index control is not real price control—that, in a nutshell, the government has to be severe with food (because food looms large in the BLS index), but can't be less of mink coats (which aren't in the index). Morally, say the old-timers, the new system is bad. But at the stage, the Administration is too hard-pressed to bother about strict ethics.

And it remains to be seen whether, in the long run, the unions will be satisfied. In the last analysis, the program could be a whiz of a theoretical success, but fail practically because the unions would lose their love for an index, demand more cold cash.

The Editors of Business Week

Business Week • August 21, 1945

U.S. ADM
LIBRARY

WEE
AGI

YE
AC

S
OF

WEEK
INDEX